

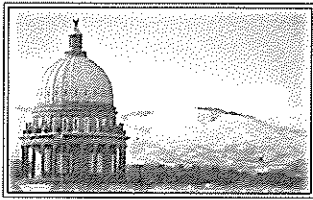
# **Single Audit Report**

*For the Fiscal Year Ended June 30, 2011*



## **State of Idaho**

*Legislative Services Office – Audits Division*



# Legislative Services Office

## Idaho State Legislature

*Serving Idaho's Citizen Legislature*

**Jeff Youtz**  
Director

May 11, 2012

Honorable C.L. "Butch" Otter, Governor  
Honorable Members of the Idaho State Legislature  
Honorable Donna Jones, State Controller

We are pleased to submit the statewide *Single Audit* of the State of Idaho covering the fiscal year ended June 30, 2011. This report complies with the audit requirements placed on the State of Idaho as a condition for receiving \$3,443,461,820 in federal assistance (colleges and universities, Idaho Housing and Finance Association, and Idaho Individual High Risk Reinsurance Pool are reported separately).

Idaho does a good job administering its federal funds in compliance with applicable laws and regulations. Questioned costs for fiscal year 2011 totaled \$9,302,308, although several issues are reported for which questioned costs could not be determined.

The federal audit requirements are contained in Title 31, Chapter 75, United States Code, as amended by the Single Audit Act Amendments of 1996. The objectives of the Single Audit Act are:

- To improve the financial management of state and local governments with respect to federal financial assistance programs through improved auditing.
- To establish uniform requirements for audits of federal financial assistance provided to state and local governments.
- To promote the efficient and effective use of audit resources.
- To ensure that federal departments and agencies, to the maximum extent practicable, rely on and use audit work performed pursuant to the requirements of the Single Audit Act.

The Office of Management and Budget (OMB) *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, was issued to facilitate the implementation of the Single Audit Act as amended in 1996. OMB *Circular A-133* places the responsibility for identifying major programs to audit on the auditor. A risk-based approach, which considers current and prior audit experience, federal oversight, and inherent risk, is used to identify major programs. All audit issues are in the section entitled "Auditor's Results." Internal control weaknesses and compliance issues related to federal awards are included in the subsection entitled "Federal Findings and Questioned Costs." Internal control weaknesses and compliance issues related to the basic financial statements are included in the subsection entitled "State Findings and Recommendations."

**Mike Nugent, Manager**  
Research & Legislation

**Cathy Holland-Smith, Manager**  
Budget & Policy Analysis

**April Renfro, Manager**  
Legislative Audits

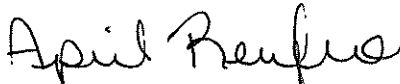
**Glenn Harris, Manager**  
Information Technology

This document contains the following reports and schedules:

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
- Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB *Circular A-133*.
- Supplementary Schedules of Expenditures of Federal Awards.
- Auditor's Results (Schedules of Current and Prior Federal Findings and Questioned Costs, as well as Current State Findings and Recommendations).

The complete *Comprehensive Annual Financial Report (CAFR)*, which includes the State's basic financial statements, can be obtained from the Idaho Office of the State Controller (208-334-3100) or accessed on its website at [www.sco.idaho.gov](http://www.sco.idaho.gov).

Sincerely,

A handwritten signature in black ink that reads "April Renfro". The signature is fluid and cursive, with the first name "April" and last name "Renfro" clearly distinguishable.

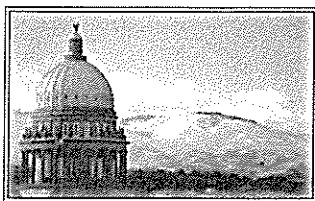
April Renfro, CPA, Manager  
Legislative Audits Division

**STATE OF IDAHO  
SINGLE AUDIT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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\*The State's basic financial statements are included in the *Idaho Comprehensive Annual Financial Report (CAFR)* published in conjunction with this *Single Audit Report* by the Office of the State Controller. The *CAFR* can be obtained from the Office of the State Controller (208-334-3100) or accessed on its website at [www.sco.idaho.gov](http://www.sco.idaho.gov).



# Legislative Services Office Idaho State Legislature

*Serving Idaho's Citizen Legislature*

Jeff Youtz  
Director

December 23, 2011

**Independent Auditor's Report on Internal Control over Financial Reporting  
and on Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

Honorable C.L. "Butch" Otter, Governor  
Honorable Members of the Legislature  
Honorable Donna M. Jones, State Controller

We have audited the basic financial statements of the governmental activities, business-type activities, aggregate discretely presented component units, each major fund, and the aggregate remaining fund information for the State of Idaho, as of and for the fiscal year ended June 30, 2011, that collectively comprise the State's basic financial statements, and have issued our report thereon dated December 3, 2011. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors have audited the financial statements of Boise State University, Eastern Idaho Technical College, Idaho State University, Lewis-Clark State College, University of Idaho and their respective component units, the Endowment Fund Investment Board, State Lottery Commission, Public Employees Retirement System of Idaho, Public Employees' Deferred Compensation Plan, Idaho Judges' Retirement Fund, IDEal Idaho College Savings Program, Idaho Individual Risk Reinsurance Pool, Idaho Small Employer Health Reinsurance Program, Petroleum Clean Water Trust Fund, Idaho Building Authority, Bond Bank Authority, and the Idaho Housing and Finance Association as described in our report on the State of Idaho's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported separately by those other auditors. The financial statements of the Idaho Housing and Finance Association, Idaho State University, University of Idaho, Eastern Idaho Technical College Foundation, Boise State University Foundation, Idaho State University Foundation, and the Public Employees' Deferred Compensation Plan were not audited in accordance with *Government Auditing Standards*.

***Internal Control over Financial Reporting***

Management of the State of Idaho is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the State of Idaho's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of Idaho's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the State of Idaho's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying *Schedule of Findings and Responses*, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

Mike Nugent, Manager  
Research & Legislation

Cathy Holland-Smith, Manager  
Budget & Policy Analysis

Don H. Berg, Manager  
Legislative Audits

Glenn Harris, Manager  
Information Technology

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies described in the accompanying *Schedule of Findings and Responses* to be material weaknesses: 11S-3, 11S-5, and 11S-6.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies described in the accompanying *Schedule of Findings and Responses* to be significant deficiencies: 11S-1, 11S-2., and 11S-4.

#### ***Compliance and Other Matters***

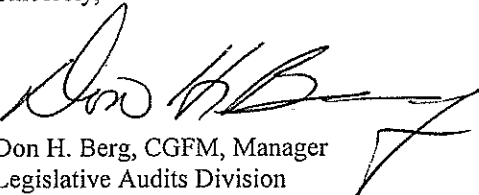
As part of obtaining reasonable assurance about whether the State of Idaho's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

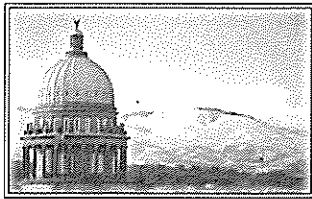
We noted certain matters that we reported to the management of the State of Idaho in a separate correspondence issued at the State agency level.

Responses to the findings identified in our audit are described in the accompanying *Schedule of Findings and Responses*. We did not audit the responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management of the State of Idaho, the Governor, the State Controller, members of the Idaho State Legislature, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

Sincerely,

  
Don H. Berg, CGFM, Manager  
Legislative Audits Division



# Legislative Services Office Idaho State Legislature

*Serving Idaho's Citizen Legislature*

Jeff Youtz  
Director

May 11, 2012  
December 23, 2011

## Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Honorable C.L. "Butch" Otter, Governor  
Honorable Members of the Legislature  
Honorable Donna Jones, Controller

### Compliance

We have audited the compliance of the State of Idaho with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The State of Idaho's major federal programs are identified in the Schedule of Federal Major Programs in the Auditor's Results section. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the State of Idaho's management. Our responsibility is to express an opinion on the State of Idaho's compliance based on our audit.

The State of Idaho's basic financial statements include the operations of Boise State University, Eastern Idaho Technical College, Idaho State University, Lewis-Clark State College, University of Idaho, Idaho Housing and Finance Association, and Idaho Individual High Risk Reinsurance Pool, which received a combined \$1,507,825,542 in federal awards, which is not included in the schedule during the year ended June 30, 2011. Our audit, described below, did not include the operations of the Boise State University, Eastern Idaho Technical College, Idaho State University, Lewis-Clark State College, University of Idaho, Idaho Housing and Finance Association, and Idaho Individual High Risk Reinsurance Pool because these entities engaged other auditors to perform an audit in accordance with OMB *Circular A-133*.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB *Circular A-133* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above, that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of Idaho's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the State of Idaho's compliance with those requirements.

Mike Nugent, Manager  
Research & Legislation

Cathy Holland-Smith, Manager  
Budget & Policy Analysis

April Renfro, Manager  
Legislative Audits

Glenn Harris, Manager  
Information Technology

As described in Findings 11F-3, 11F-12, and 11F-20 in the accompanying Schedule of Findings and Questioned Costs, the State of Idaho did not comply with requirements regarding allowable activities, allowable costs/cost principles, and reporting that are applicable to the Medicaid Cluster (93.720, 93.775, 93.777, and 93.778), Temporary Assistance for Needy Families Cluster (93.558 and 93.714), and Vocational Rehabilitation Cluster (84.126 and 84.390). Compliance with such requirements is necessary, in our opinion, for the State of Idaho to comply with the requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, the State of Idaho complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB *Circular A-133*, and which are described in the accompanying Schedule of Findings and Questioned Costs as Findings 11F-1, 11F-2, 11F-5, 11F-6, 11F-7, 11F-8, 11F-9, 11F-10, 11F-11, 11F-13, 11F-14, 11F-18, 11F-19, 11F-21, 11F-22, 11F-23, 11F-24, and 11F-25.

#### Internal Control Over Compliance

The management of the State of Idaho is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the State of Idaho's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB *Circular A-133*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of Idaho's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we considered to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs, as items 11F-3, 11F-12, and 11F-20 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying Schedule of Findings and Questioned Costs as items 11F-1, 11F-2, 11F-4, 11F-6, 11F-7, 11F-8, 11F-9, 11F-11, 11F-13, 11F-14, 11F-15, 11F-16, 11F-17, 11F-18, 11F-19, 11F-20, 11F-21, 11F-24, and 11F-25 to be significant deficiencies.



Responses to the findings identified in our audit are included in the accompanying Schedule of Findings and Questioned Costs. We did not audit the responses and, accordingly, we express no opinion on them.

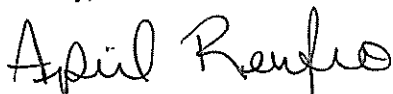
Schedules of Expenditures of Federal Awards

We have audited the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Idaho as of and for the year ended June 30, 2011, and have issued our report thereon dated December 23, 2011. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the State of Idaho's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purpose of additional analysis as required by OMB *Circular A-133*, is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Our report contained an unqualified opinion on the basic financial statements. Our opinion expressed therein, insofar as it relates to entities' financial statements that were audited by other auditors, was based solely on the reports of the other auditors.

This report is intended solely for the information and use of the management of the State of Idaho, members of the Idaho State Legislature, federal awarding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties. However, this report is a public document and its distribution is not limited.

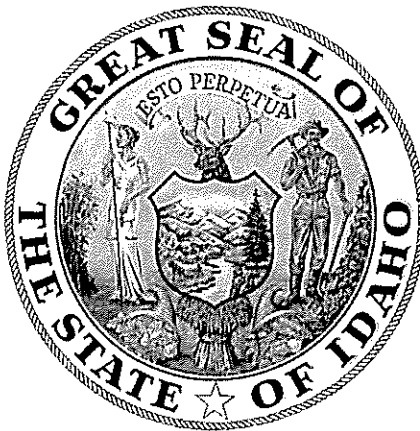
Sincerely,

A handwritten signature in black ink, appearing to read "April Renfro". The signature is fluid and cursive, with the first name "April" and last name "Renfro" clearly distinguishable.

April Renfro, CPA, Manager  
Legislative Audits Division

**STATE OF IDAHO  
SINGLE AUDIT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**SCHEDULES OF EXPENDITURES  
OF FEDERAL AWARDS**



**SCHEDULE  
OF  
EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY**

STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
DEPARTMENT OF AGRICULTURE				
SNAP CLUSTER:				
10.551	Supplemental Nutrition Assistance Program (SNAP)	Health and Welfare, Department of	\$351,983,201	NC
10.561	ARRA - State Administrative Matching Grants - Supple. Nutrition Assist. Program	Health and Welfare, Department of	5,399	
10.561	State Administrative Matching Grants - Supple. Nutrition Assist. Program	Health and Welfare, Department of	9,593,878	
TOTAL SNAP CLUSTER			\$361,582,478	
CHILD NUTRITION CLUSTER:				
10.553	School Breakfast Program	Superintendent of Public Instruction	\$15,906,587	NC
10.555	National School Lunch Program	Superintendent of Public Instruction	6,013,710	
10.555	National School Lunch Program	Superintendent of Public Instruction	48,476,963	
10.556	Special Milk Program for Children	Superintendent of Public Instruction	174,378	
10.559	Summer Food Service Program for Children	Superintendent of Public Instruction	4,263,517	
TOTAL CHILD NUTRITION CLUSTER			\$74,835,155	
EMERGENCY FOOD ASSISTANCE CLUSTER:				
10.568	ARRA - Emergency Food Assistance Program (Administrative Costs)	Health and Welfare, Department of	\$207,470	NC
10.568	Emergency Food Assistance Program (Administrative Costs)	Health and Welfare, Department of	137,366	
10.569	Emergency Food Assistance Program (Food Commodities)	Health and Welfare, Department of	2,790,611	
TOTAL EMERGENCY FOOD ASSISTANCE CLUSTER			\$3,135,447	
NON-CLUSTERED PROGRAMS:				
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Agriculture, Department of	\$1,642,836	
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Fish and Game, Department of	69,210	
10.028	Wildlife Services	Fish and Game, Department of	96,179	
10.086	Aquaculture Grants Program	Agriculture, Department of	408,980	
10.162	Inspection Grading and Standardization	Agriculture, Department of	50,941	
10.163	Market Protection and Promotion	Agriculture, Department of	143,576	
10.169	Specialty Crop Block Grant Program	Agriculture, Department of	73,644	
10.170	Specialty Crop Block Grant Program - Farm Bill	Agriculture, Department of	715,978	
10.446	Rural Community Development Initiative	Commerce, Department of	35,597	
10.557	Supplemental Nutrition for Women, Infants, and Children (WIC)	Health and Welfare, Department of	28,472,617	
10.558	Child and Adult Care Food Program	Superintendent of Public Instruction	6,472,090	
10.560	State Administrative Expenses for Child Nutrition	Superintendent of Public Instruction	741,068	
10.574	Team Nutrition Grants	Superintendent of Public Instruction	220,139	
10.578	ARRA - WIC Grants to State	Health and Welfare, Department of	1,790,655	
10.579	ARRA - Child Nutrition Discretionary Grants Limited Availability	Superintendent of Public Instruction	2,716	
10.579	Child Nutrition Discretionary Grants Limited Availability	Superintendent of Public Instruction	239,281	
10.582	Fresh Fruit and Vegetable Program	Superintendent of Public Instruction	1,305,295	
10.664	Cooperative Forestry Assistance	Agriculture, Department of	493,770	
10.664	Cooperative Forestry Assistance	Lands, Department of	3,363,313	
10.672	Rural Development, Forestry, and Communities	Lands, Department of	56	
10.676	Forest Legacy Program	Lands, Department of	3,253,134	
10.677	Forest Land Enhancement Program	Lands, Department of	2,210	
10.678	Forest Stewardship Program	Lands, Department of	5,818	
10.687	ARRA - Capital Improvement and Maintenance	Environmental Quality, Department of	66,343	
10.688	ARRA - Wildland Fire Management	Agriculture, Department of	1,124,295	
10.688	ARRA - Wildland Fire Management	Lands, Department of	2,699,302	
10.769	Rural Business Enterprise Grants	Agriculture, Department of	7,500	
10.861	Public Television Station Digital Transition Grant Program	Public Television, Idaho	108,553	
10.902	Soil and Water Conservation	Water Resources, Department of	(5,914)	
10.912	Environmental Quality Incentives Program	Lands, Department of	39,248	
10.950	Agricultural Statistics Reports	Agriculture, Department of	46,295	
10.999	Forest Service Aquatic Invasive Species Monitoring	Agriculture, Department of	32,242	
10.999	Miscellaneous Forest Service Grants	Fish and Game, Department of	598,243	
10.999	Miscellaneous Natural Resources Conservation Service Grants	Fish and Game, Department of	67,624	
10.999	Marijuana Eradication Forest Service Grants	Police, Idaho State	7,000	
10.999	Roadless - Implementation of Roadless Rule	Species Conservation, Office of	6,257	
Pass-Through From Non-State Entities:				
10.304	Homeland Security - Agricultural	Administration, Department of	624	PT
	University of California, Davis, Grantor number 2007 37620 18230			
TOTAL NON-CLUSTERED PROGRAMS			\$54,396,715	
TOTAL DEPARTMENT OF AGRICULTURE			\$493,949,795	

\*Type: NC = Non-Cash Assistance; PT = Pass-Through Assistance; R&D = Research and Development Cluster  
The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
<b>DEPARTMENT OF COMMERCE</b>				
11.407	Interjurisdictional Fisheries Act of 1986	Fish and Game, Department of	\$14,731	
11.436	Columbia River Fisheries Development Program	Fish and Game, Department of	1,325,782	
11.438	Pacific Coast Salmon Recovery - Pacific Salmon Treaty Program	Fish and Game, Department of	195,171	
11.438	Pacific Coast Salmon Recovery - Pacific Salmon Treaty Program	Species Conservation, Office of	2,593,952	
11.441	Regional Fishery Management Councils	Fish and Game, Department of	77,626	
11.550	Public Telecommunications Facilities Planning and Construction	Public Television, Idaho	267,921	
11.555	Public Safety Interoperable Communications Grant Program	Military, Division of	460,576	
11.557	ARRA - Broadband Technology Opportunities Program (BTOP)	Libraries, Idaho Commission for	436,059	
11.999	Miscellaneous NOAA Grants	Fish and Game, Department of	938,409	
<b>Pass-Through From Non-State Entities:</b>				
11.558	ARRA - State Broadband Data & Development Grant CostQuest Associates Inc., Grantor number n/a	Commerce, Department of	37,417	PT
<b>TOTAL DEPARTMENT OF COMMERCE</b>			<u>\$6,347,644</u>	
<b>DEPARTMENT OF DEFENSE</b>				
12.002	Procurement Technical Assistance for Business Firms	Commerce, Department of	\$195,659	
12.113	Agreement Program for the Reimbursement of Technical Services	Environmental Quality, Department of	150,161	
12.401	National Guard Military Operations and Maintenance Projects	Military, Division of	22,660,866	
12.610	Community Economic Adjustment Planning Assistance - Joint Land Use Studies	Commerce, Department of	76,525	
12.999	Miscellaneous Army Corps of Engineers Grants	Fish and Game, Department of	5,220	
<b>TOTAL DEPARTMENT OF DEFENSE</b>			<u>\$23,088,431</u>	
<b>HOUSING AND URBAN DEVELOPMENT</b>				
<b>CDBG- STATE ADMINISTERED CDBG CLUSTER:</b>				
14.228	Community Development Block Grants/State's Program	Commerce, Department of	\$10,412,591	
14.228	ARRA - Community Development Block Grants	Commerce, Department of	1,000,049	
<b>TOTAL CDBG- STATE ADMINISTERED CDBG CLUSTER</b>			<u>\$11,412,640</u>	
<b>NON-CLUSTERED PROGRAMS:</b>				
14.171	Manufactured Home Dispute Resolution	Building Safety, Division of	\$31,208	
<b>Pass-Through From Non-State Entities:</b>				
14.246	CDBG/Brownfields Economic Development Initiative Clearwater Economic Development Association, Grantor number HUD05DF-569	Historical Society, Idaho State	22,169	PT
<b>TOTAL NON-CLUSTERED PROGRAMS</b>			<u>\$53,377</u>	
<b>TOTAL HOUSING AND URBAN DEVELOPMENT</b>			<u>\$11,466,017</u>	
<b>DEPARTMENT OF THE INTERIOR</b>				
<b>FISH AND WILDLIFE CLUSTER:</b>				
15.605	Sport Fish Restoration	Fish and Game, Department of	\$5,720,626	
15.611	Wildlife Restoration and Basic Hunter Education	Fish and Game, Department of	6,998,758	
<b>TOTAL FISH AND WILDLIFE CLUSTER</b>			<u>\$12,719,384</u>	
<b>NON-CLUSTERED PROGRAMS</b>				
15.130	Indian Education - Assistance to Schools	Superintendent of Public Instruction	\$49,483	
15.224	Cultural Resource Management	Historical Society, Idaho State	20,557	
15.228	National Fire Plan - Wildland Urban Interface Community Fire Assistance	Transportation Department, Idaho	137,974	
15.230	Invasive and Noxious Plant Management	Agriculture, Department of	315,758	
15.231	ARRA- Fish, Wildlife and Plant Conservation Resource Management	Agriculture, Department of	728,910	
15.231	Fish, Wildlife, and Plant Conservation Resource Management	Agriculture, Department of	37,910	
15.231	Fish, Wildlife, and Plant Conservation Resource Management	Fish and Game, Department of	800,497	
15.231	Fish, Wildlife, and Plant Conservation Resource Management	Species Conservation, Office of	4,454	
15.238	Challenge Cost Sharing	Historical Society, Idaho State	6,990	
15.608	Fish and Wildlife Management Assistance	Fish and Game, Department of	354,211	
15.608	Fish and Wildlife Management Assistance	Species Conservation, Office of	40,341	
15.615	Cooperative Endangered Species Conservation Fund	Fish and Game, Department of	417,141	
15.615	Cooperative Endangered Species Conservation Fund	Species Conservation, Office of	3,263,719	
15.630	Coastal Program	Agriculture, Department of	84,998	
15.633	Landowner Incentive	Fish and Game, Department of	214,494	
15.634	State Wildlife Grants	Fish and Game, Department of	862,781	
15.647	Migratory Bird Conservation	Fish and Game, Department of	56,418	
15.649	Service Training and Technical Assistance	Fish and Game, Department of	4,579,332	
15.650	Wolf Livestock Loss Demonstration	Species Conservation, Office of	16,959	
15.657	Endangered Species Conservation - Recovery Implementation Funds	Species Conservation, Office of	1,335,507	
15.808	U.S. Geological Survey - Research and Data Collection	Fish and Game, Department of	6,969	
15.808	U.S. Geological Survey - Research and Data Collection	Water Resources, Department of	36,730	

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STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
15.904	Historic Preservation Fund Grants-in-Aid	Historical Society, Idaho State	\$768,453	
15.916	Outdoor Recreation - Acquisition, Development, and Planning	Parks and Recreation, Department of	122,851	
15.929	Save America's Treasures	Historical Society, Idaho State	8,361	
15.999	Miscellaneous Fish and Wildlife Service Grants	Fish and Game, Department of	97,572	
15.999	Miscellaneous Bureau of Reclamation Grants	Fish and Game, Department of	452,040	
15.999	Miscellaneous National Park Services Grants	Fish and Game, Department of	15,211	
15.999	Water Bank Program	Water Resources, Department of	87,043	
15.DAH	Hazards/Hazmat	Environmental Quality, Department of	10,656	
15.SFB	Herbivory Effects on Slickspot Peppergrass	Agriculture, Department of	1,909	
	TOTAL NON-CLUSTERED PROGRAMS		\$14,936,229	
	TOTAL DEPARTMENT OF THE INTERIOR		\$27,655,613	
	DEPARTMENT OF JUSTICE			
	JAG PROGRAM CLUSTER:			
16.738	Edward Byrne Memorial Justice Assistance Grant Program	Police, Idaho State	\$1,248,644	
16.803	ARRA - Edward Byrne Memorial Justice Assistance Grant Program	Police, Idaho State	1,949,540	
	TOTAL JAG PROGRAM CLUSTER		\$3,198,184	
	NON-CLUSTERED PROGRAMS			
16.017	Sexual Assault Services	Police, Idaho State	\$117,410	
16.523	Juvenile Accountability Block Grants	Juvenile Corrections, Department of	336,826	
16.540	Juvenile Justice and Delinquency Prevention - Allocation to States	Juvenile Corrections, Department of	566,716	
16.543	Missing Children's Assistance	Attorney General, Office of the	140,587	
16.548	Title V - Delinquency Prevention Program	Juvenile Corrections, Department of	57,343	
16.550	State Justice Statistics Program for Statistical Analysis Centers	Police, Idaho State	22,638	
16.554	National Criminal History Improvement Program	Police, Idaho State	20,000	
16.575	Crime Victim Assistance	Health and Welfare, Department of	2,314,462	
16.576	Crime Victim Compensation	Industrial Commission	458,000	
16.579	Edward Byrne Memorial Formula Grant Program	Police, Idaho State	7,721	
16.580	Edward Byrne Memorial Law Enforcement Assistance Discretionary Grants	Police, Idaho State	208,602	
16.585	Drug Court Discretionary Grant Program	Judicial Department	72,959	
16.588	ARRA - Violence Against Women Formula Grants	Police, Idaho State	557,375	
16.588	Violence Against Women Formula Grants	Police, Idaho State	955,807	
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	Judicial Department	502,394	
16.593	Residential Substance Abuse Treatment for State Prisoners	Police, Idaho State	109,417	
16.601	Corrections - Training and Staff Development	Correction, Department of	15,531	
16.606	State Criminal Alien Assistance Program	Correction, Department of	266,883	
16.609	Project Safe Neighborhoods	Police, Idaho State	62,163	
16.710	Public Safety Partnership and Community Policing Grants	Police, Idaho State	170,024	
16.727	Enforcing Underage Drinking Laws Program	Juvenile Corrections, Department of	427,231	
16.735	Protecting Inmates and Safeguarding Communities Discretionary Grant	Correction, Department of	39,435	
16.741	Forensic DNA Capacity Enhancement Program	Police, Idaho State	189,870	
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	Police, Idaho State	78	
16.744	Anti-Gang Initiative	Police, Idaho State	779	
16.745	Criminal and Juvenile Justice and Mental Health Collaboration Program	Judicial Department	29,747	
16.753	Congressionally Recommended Awards	Police, Idaho State	78,470	
16.754	Harold Rogers Prescription Drug Monitoring Program	Pharmacy, Board of	4,623	
16.800	ARRA - Internet Crimes against Children Task Force Program	Attorney General, Office of the	117,380	
16.801	ARRA - State Victim Assistance	Health and Welfare, Department of	261,806	
16.810	ARRA - Assistance to Rural Law Enforcement to Combat Crime and Drugs	Correction, Department of	84,155	
16.810	ARRA - Assistance to Rural Law Enforcement to Combat Crime and Drugs	Police, Idaho State	230,925	
16.999	Organized Crime and Drug Task Force	Police, Idaho State	24,377	
	Pass-Through From Non-State Entities:			
16.756	Court Appointed Special Advocates	Judicial Department	56,450	PT
	National Court Appointed Special Advocate Association, Grantor numbers ID11234-09-0709-S and n/a			
	TOTAL NON-CLUSTERED PROGRAMS		\$8,508,184	
	TOTAL DEPARTMENT OF JUSTICE		\$11,706,368	
	DEPARTMENT OF LABOR			
	EMPLOYMENT SERVICE CLUSTER:			
17.207	ARRA - Employment Service/Wagner-Peyser Funded Activities	Labor, Department of	\$1,222,001	
17.207	Employment Service/Wagner-Peyser Funded Activities	Labor, Department of	7,246,114	
17.801	Disabled Veterans' Outreach Program	Labor, Department of	600,068	
17.804	Local Veterans' Employment Representative Program	Labor, Department of	210,926	
	TOTAL EMPLOYMENT SERVICE CLUSTER		\$9,279,109	

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STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
	WIA CLUSTER:			
17.258	ARRA - WIA Adult Program	Labor, Department of	\$82,490	
17.258	WIA Adult Program	Labor, Department of	2,697,303	
17.259	ARRA - WIA Youth Activities	Labor, Department of	281,289	
17.259	WIA Youth Activities	Labor, Department of	2,565,309	
17.260	ARRA - WIA Dislocated Workers	Labor, Department of	2,283,468	
17.260	WIA Dislocated Workers	Labor, Department of	977,500	
17.278	WIA Dislocated Workers	Labor, Department of	2,727,965	
	TOTAL WIA CLUSTER		<u>\$11,615,324</u>	
	NON-CLUSTERED PROGRAMS			
17.002	Labor Force Statistics	Labor, Department of	\$563,692	
17.005	Compensation and Working Conditions	Industrial Commission	3,672	
17.151	ARRA - Employee Benefits Security Administration	Administration, Department of	466,243	
17.225	Unemployment Insurance	Labor, Department of	524,205,746	
17.235	Senior Community Service Employment Program	Aging, Commission on	873,454	
17.235	Senior Community Service Employment Program	Labor, Department of	677,789	
17.245	Trade Adjustment Assistance	Labor, Department of	5,184,032	
17.266	Work Incentive Grants	Labor, Department of	177,262	
17.268	H-1B Job Training Grants	Labor, Department of	736	
17.275	ARRA - Worker Training and Placement in High Growth and Emerging Industry Sectors	Labor, Department of	1,936,546	
17.275	ARRA - Worker Training and Placement in High Growth and Emerging Industry Sectors	Labor, Department of	703,017	R&D
	Research and Development Cluster; Division of Workforce Investment			
17.807	Transition Assistance Program	Labor, Department of	16,416	
	TOTAL NON-CLUSTERED PROGRAMS		<u>\$534,808,605</u>	
	TOTAL DEPARTMENT OF LABOR		<u>\$555,703,038</u>	
	DEPARTMENT OF TRANSPORTATION			
	HIGHWAY PLANNING AND CONSTRUCTION CLUSTER:			
20.205	Highway Planning and Construction	Tax Commission, Idaho	\$69,095	
20.205	ARRA - Highway Planning and Construction	Transportation Department, Idaho	84,642,746	
20.205	Highway Planning and Construction	Transportation Department, Idaho	319,607,156	
20.205	Highway Planning and Construction	Transportation Department, Idaho	5,132,313	R&D
	Research and Development Cluster; Federal Highway Administration			
20.219	Recreational Trails Program	Parks and Recreation, Department of	1,031,677	
	TOTAL HIGHWAY PLANNING AND CONSTRUCTION CLUSTER		<u>\$410,482,987</u>	
	FEDERAL TRANSIT CLUSTER:			
20.500	Federal Transit - Capital Investment Grants	Transportation Department, Idaho	\$633,786	
	TOTAL FEDERAL TRANSIT CLUSTER		<u>\$633,786</u>	
	TRANSIT SERVICES PROGRAMS CLUSTER:			
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities	Transportation Department, Idaho	\$506,364	
20.516	Job Access - Reverse Commute	Transportation Department, Idaho	403,678	
20.521	New Freedom Program	Transportation Department, Idaho	58,473	
	TOTAL TRANSIT SERVICES PROGRAM CLUSTER		<u>\$968,515</u>	
	HIGHWAY SAFETY CLUSTER:			
20.600	State and Community Highway Safety	Transportation Department, Idaho	\$1,711,976	
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants 1	Transportation Department, Idaho	863,333	
20.610	State Traffic Safety Information System Improvement Grants	Transportation Department, Idaho	500,430	
20.611	Incentive Grant Program to Prohibit Racial Profiling	Transportation Department, Idaho	277,473	
20.612	Incentive Grant Program to Increase Motorcyclist Safety	Transportation Department, Idaho	75,871	
	TOTAL HIGHWAY SAFETY CLUSTER		<u>\$3,429,083</u>	
	NON-CLUSTERED PROGRAMS:			
20.106	Airport Improvement Program	Transportation Department, Idaho	\$8,066	
20.218	National Motor Carrier Safety	Police, Idaho State	1,497,954	
20.231	Performance and Registration Information Systems Management	Transportation Department, Idaho	28,626	
20.232	Commercial Driver's License Program Improvement Grant	Transportation Department, Idaho	118,554	
20.234	Safety Data Improvement Program	Transportation Department, Idaho	102,214	
20.237	Commercial Vehicle Information Systems and Networks	Transportation Department, Idaho	629,892	
20.240	Fuel Tax Evasion - Intergovernmental Enforcement Effort	Tax Commission, Idaho	2,804	
20.509	ARRA - Formula Grants for Other Than Urbanized Areas	Transportation Department, Idaho	4,388,233	

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STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
20.509	Formula Grants for Other Than Urbanized Areas	Transportation Department, Idaho	\$5,796,968	
20.514	Public Transportation Research	Transportation Department, Idaho	2,750	
20.515	State Planning and Research	Transportation Department, Idaho	144,653	
20.700	Pipeline Safety	Public Utilities Commission	86,500	
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	Military, Division of	178,706	
	TOTAL NON-CLUSTERED PROGRAMS		\$12,985,920	
	TOTAL DEPARTMENT OF TRANSPORTATION		\$428,500,291	
	DEPARTMENT OF THE TREASURY			
21.999	Equitable Sharing for Law Enforcement Agencies	Police, Idaho State	\$168,003	
	TOTAL DEPARTMENT OF THE TREASURY		\$168,003	
	GENERAL SERVICES ADMINISTRATION			
39.003	Donation of Federal Surplus Personal Property	Administration, Department of	\$1,378,133	NC
39.011	Election Reform	Secretary of State	228,956	
	TOTAL GENERAL SERVICES ADMINISTRATION		\$1,607,089	
	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			
43.AAA	Aerospace Education Services Program	Superintendent of Public Instruction	\$261,723	
	TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION		\$261,723	
	NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES			
45.025	Promotion of the Arts - Partnership Agreements	Arts, Commission on the	\$790,614	
45.129	Promotion of the Humanities - Federal/State Partnership	Historical Society, Idaho State	442	
45.164	Promotion of the Humanities - Public Programs	Historical Society, Idaho State	800	
45.310	Grants to States	Libraries, Idaho Commission for	1,363,284	
	Pass-Through From Non-State Entities:			
45.129	Promotion of the Humanities - Federal/State Partnership Idaho Humanities Council, Grantor number n/a	Libraries, Idaho Commission for	7,917	PT
	TOTAL NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES		\$2,163,057	
	SMALL BUSINESS ADMINISTRATION			
59.058	Fed and State Tech Partnership Program (FAST)	Commerce, Department of	\$38,105	
	TOTAL SMALL BUSINESS ADMINISTRATION		\$38,105	
	DEPARTMENT OF VETERANS AFFAIRS			
64.014	Veterans State Domiciliary Care	Veterans Services, Division of	\$411,223	
64.015	Veterans State Nursing Home Care	Veterans Services, Division of	8,152,929	
64.101	Burial Expenses Allowances for Veterans	Veterans Services, Division of	123,300	
	TOTAL DEPARTMENT OF VETERANS AFFAIRS		\$8,687,452	
	ENVIRONMENTAL PROTECTION AGENCY			
66.001	Air Pollution Control Program Support	Environmental Quality, Department of	\$1,476,605	
66.032	State Indoor Radon Grants	Health and Welfare, Department of	81,869	
66.034	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Air Act	Environmental Quality, Department of	376,012	
66.034	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Air Act	Environmental Quality, Department of	72,785	NC
66.034	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Air Act	Health and Welfare, Department of	24,594	
66.036	Clean School Bus USA	Environmental Quality, Department of	(25,343)	
66.039	National Clean Diesel Emissions Reduction Program	Environmental Quality, Department of	46,679	
66.040	ARRA - State Clean Diesel Grant Program	Environmental Quality, Department of	754,174	
66.040	State Clean Diesel Grant Program	Environmental Quality, Department of	108,595	
66.202	Congressionally Mandated Projects	Environmental Quality, Department of	115,346	
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	Environmental Quality, Department of	2,073,159	
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	Environmental Quality, Department of	28,500	NC
66.432	State Public Water System Supervision	Environmental Quality, Department of	1,128,503	
66.433	State Underground Water Source Protection	Water Resources, Department of	125,162	
66.436	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Water Act	Environmental Quality, Department of	62,493	
66.454	ARRA - Water Quality Management Planning	Environmental Quality, Department of	28,901	
66.454	Water Quality Management Planning	Environmental Quality, Department of	90,642	
66.458	ARRA - Capitalization Grants for Clean Water State Revolving Funds	Environmental Quality, Department of	10,868,593	
66.458	Capitalization Grants for Clean Water State Revolving Funds	Environmental Quality, Department of	9,921,163	
66.460	Nonpoint Source Implementation Grants	Environmental Quality, Department of	2,532,137	
66.461	Regional Wetland Program Development Grants	Environmental Quality, Department of	489	
66.461	Regional Wetland Program Development Grants	Fish and Game, Department of	85,965	
66.468	ARRA - Capitalization Grants for Drinking Water State Revolving Funds	Environmental Quality, Department of	11,033,251	
66.468	Capitalization Grants for Drinking Water State Revolving Funds	Environmental Quality, Department of	7,838,588	
66.471	State Grants to Reimburse Oper. of Sm. Water Sys. for Training & Cert. Costs	Environmental Quality, Department of	134,372	
66.474	Water Protection Grants to the States	Environmental Quality, Department of	71,975	

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CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
66.606	Surveys, Studies, Investigations and Special Purpose Grants	Environmental Quality, Department of	\$19,207	
66.606	Surveys, Studies, Investigations and Special Purpose Grants	Water Resources, Department of	21,745	
66.608	Environmental Information Exchange Network Grant Program	Environmental Quality, Department of	123,085	
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	Agriculture, Department of	429,947	
66.708	Pollution Prevention Grants Program	Environmental Quality, Department of	46,816	
66.801	Hazardous Waste Management State Program Support	Environmental Quality, Department of	412,160	
66.802	ARRA - Superfund State, Political Sub. & Indian Tribe Site - Specific Cooperative Agmts.	Environmental Quality, Department of	3,505,292	
66.802	Superfund State, Political Sub. & Indian Tribe Site - Specific Cooperative Agmts.	Environmental Quality, Department of	13,616,246	
66.804	Underground Storage Tank Prevention, Detection and Compliance Program	Environmental Quality, Department of	417,543	
66.805	ARRA - Leaking Underground Storage Tank Trust Fund Corrective Action Program	Environmental Quality, Department of	381,127	
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	Environmental Quality, Department of	688,776	
66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements	Environmental Quality, Department of	136,751	
66.817	State and Tribal Response Program Grants	Environmental Quality, Department of	886,507	
66.818	ARRA - Brownfields Assessment and Cleanup Cooperative Agreements	Environmental Quality, Department of	150,351	
66.818	Brownfields Assessment and Cleanup Cooperative Agreements	Environmental Quality, Department of	10,450	
66.818	Brownfields Assessment and Cleanup Cooperative Agreements	Parks and Recreation, Department of	16,038	
	<b>TOTAL ENVIRONMENTAL PROTECTION AGENCY</b>		<b>\$69,917,250</b>	
	<b>DEPARTMENT OF ENERGY</b>			
81.041	ARRA - State Energy Program	Energy Resources, Office of	\$8,091,036	
81.041	State Energy Program	Energy Resources, Office of	222,869	
81.042	Weatherization Assistance for Low-Income Persons	Health and Welfare, Department of	1,550,293	
81.042	ARRA - Weatherization Assistance for Low-Income Persons	Health and Welfare, Department of	12,748,112	
81.117	ARRA - Energy Efficiency/Renew. Energy Info. Dissem./Outreach/Training/Tech. Assist.	Energy Resources, Office of	280,824	
81.119	State Energy Program Special Projects	Energy Resources, Office of	28,235	
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	Energy Resources, Office of	122,740	
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	Public Utilities Commission	165,104	
81.127	ARRA - Energy Efficient Appliance Rebate Program	Energy Resources, Office of	1,049,004	
81.128	ARRA - Energy Efficiency and Conservation Community Block Grant	Energy Resources, Office of	5,081,246	
81.502	Idaho National Laboratory Oversight	Environmental Quality, Department of	2,957,993	
81.999	Miscellaneous Bonneville Power Administration Grants	Fish and Game, Department of	9,924,541	
81.999	Miscellaneous Bonneville Power Administration Grants	Fish and Game, Department of	1,750,000	NC
81.999	Weatherization Conference	Health and Welfare, Department of	368,563	
81.999	Idaho OSC Accord Planning and Development	Species Conservation, Office of	712,806	
81.999	Upper Salmon Screen Tributary Passage	Species Conservation, Office of	843,315	
81.999	Exp-Lemhi River Restoration Planning	Species Conservation, Office of	318,650	
81.999	Clearwater Focus Program	Species Conservation, Office of	80,002	
81.999	Exp-Pahsimeroi River Habitat	Species Conservation, Office of	2,447	
81.999	Tributary Water Conservation	Water Resources, Department of	273,216	
	<b>Pass-Through From Non-State Entities:</b>			
81.502	Idaho National Laboratory Oversight	Environmental Quality, Department of	363,826	PT
	Western Governors' Association, Grantor number MOA DEFC0490AL65416			
	<b>TOTAL DEPARTMENT OF ENERGY</b>		<b>\$46,934,822</b>	
	<b>DEPARTMENT OF EDUCATION</b>			
	<b>TITLE I, PART A CLUSTER:</b>			
84.010	Title I Grants to Local Educational Agencies	Superintendent of Public Instruction	\$46,893,378	
84.389	ARRA - Title I Grants to Local Educational Agencies	Superintendent of Public Instruction	15,301,850	
	<b>TOTAL TITLE I, PART A CLUSTER</b>		<b>\$62,195,228</b>	
	<b>SPECIAL EDUCATION CLUSTER:</b>			
84.027	Special Education - Grants to States	Superintendent of Public Instruction	\$49,601,423	
84.173	Special Education - Preschool Grants	Superintendent of Public Instruction	1,887,178	
84.391	ARRA - Special Education Grants to States	Superintendent of Public Instruction	29,712,864	
84.392	ARRA - Special Education - Preschool Grants	Superintendent of Public Instruction	1,204,618	
	<b>TOTAL SPECIAL EDUCATION CLUSTER</b>		<b>\$82,406,083</b>	
	<b>VOCATIONAL REHABILITATION CLUSTER:</b>			
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Blind and Visually Impaired, Commission for the	\$2,647,939	
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Vocational Rehabilitation, Division of	13,535,862	
84.390	ARRA - Vocational Rehabilitation Grants to State	Blind and Visually Impaired, Commission for the	215,595	
84.390	ARRA - Vocational Rehabilitation Grants to State	Vocational Rehabilitation, Division of	1,488,706	
	<b>TOTAL VOCATIONAL REHABILITATION CLUSTER</b>		<b>\$17,888,102</b>	
	<b>INDEPENDENT LIVING STATE GRANTS CLUSTER:</b>			
84.169	Independent Living - State Grants	Blind and Visually Impaired, Commission for the	\$189,014	
84.169	Independent Living - State Grants	Vocational Rehabilitation, Division of	171,544	

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CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
84.398	ARRA - Independent Living - State Grants	Blind and Visually Impaired, Commission for the	\$85,319	
84.398	ARRA - Independent Living - State Grants	Vocational Rehabilitation, Division of	37,086	
	TOTAL INDEPENDENT LIVING STATE GRANTS CLUSTER		<u>\$482,963</u>	
	INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND CLUSTER:			
84.177	Independent Living Services for Older Individuals Who Are Blind	Blind and Visually Impaired, Commission for the	\$225,000	
84.399	ARRA - Independent Living for Older Individuals Who Are Blind	Blind and Visually Impaired, Commission for the	33,299	
	TOTAL INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND CLUSTER		<u>\$258,299</u>	
	EARLY INTERVENTION SERVICES CLUSTER:			
84.181	Special Education - Grants for Infants and Families	Health and Welfare, Department of	\$2,395,268	
84.393	ARRA - Special Education - Grants for Infants and Families	Health and Welfare, Department of	1,705,713	
	TOTAL EARLY INTERVENTION SERVICES CLUSTER		<u>\$4,100,981</u>	
	EDUCATION OF HOMELESS CHILDREN AND YOUTH CLUSTER:			
84.196	Education for Homeless Children and Youth	Superintendent of Public Instruction	\$216,616	
84.387	ARRA - Education for Homeless Children and Youth	Superintendent of Public Instruction	87,234	
	TOTAL EDUCATION OF HOMELESS CHILDREN AND YOUTH CLUSTER		<u>\$303,850</u>	
	EDUCATION TECHNOLOGY STATE GRANTS CLUSTER:			
84.318	Education Technology State Grants	Superintendent of Public Instruction	\$918,788	
84.386	ARRA - Education Technology State Grants	Superintendent of Public Instruction	1,915,424	
	TOTAL EDUCATION TECHNOLOGY STATE GRANTS CLUSTER		<u>\$2,834,212</u>	
	STATEWIDE DATA SYSTEMS CLUSTER:			
84.372	Statewide Data Systems	Superintendent of Public Instruction	\$3,423,118	
	TOTAL STATEWIDE DATA SYSTEMS CLUSTER		<u>\$3,423,118</u>	
	SCHOOL IMPROVEMENT GRANTS CLUSTER:			
84.377	School Improvement Grants	Superintendent of Public Instruction	\$1,371,408	
84.388	ARRA - School Improvement Grants, Recovery Act	Superintendent of Public Instruction	821,728	
	TOTAL SCHOOL IMPROVEMENT GRANTS CLUSTER		<u>\$2,193,136</u>	
	STATE FISCAL STABILIZATION FUND CLUSTER:			
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Administration, Department of	\$1,665,326	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Correction, Department of	1,996,621	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Environmental Quality, Department of	10,160,300	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Superintendent of Public Instruction	7,406,300	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Transportation Department, Idaho	9,553,160	
	TOTAL STATE FISCAL STABILIZATION FUND CLUSTER		<u>\$30,781,707</u>	
	NON-CLUSTERED PROGRAMS			
84.002	Adult Education - Basic Grants to States	Professional-Technical Education, Division of	\$2,008,305	
84.011	Migrant Education - State Grant Program	Superintendent of Public Instruction	2,824,459	
84.013	Title I State Agency Program for Neglected & Delinquent Children and Youth	Superintendent of Public Instruction	438,254	
84.048	Career and Technical Education - Basic Grants to States	Professional-Technical Education, Division of	6,202,431	
84.069	Leveraging Educational Assistance Partnership	Education, State Board of	157,849	
84.144	Migrant Education - Coordination Program	Superintendent of Public Instruction	34,334	
84.184	Safe and Drug-Free Schools and Communities - National Programs	Superintendent of Public Instruction	82,755	
84.185	Byrd Honors Scholarships	Education, State Board of	238,500	
84.186	Safe and Drug-Free Schools and Communities - State Grants	Superintendent of Public Instruction	587,627	
84.187	Supported Employment Services for Individuals w/Significant Disabilities	Blind and Visually Impaired, Commission for the	4,520	
84.187	Supported Employment Services for Individuals w/Significant Disabilities	Vocational Rehabilitation, Division of	212,152	
84.213	Even Start - State Educational Agencies	Superintendent of Public Instruction	116,723	
84.243	Tech-Prep Education	Professional-Technical Education, Division of	623,977	
84.265	State Vocational Rehabilitation Unit In-Service Training	Blind and Visually Impaired, Commission for the	21,626	
84.265	State Vocational Rehabilitation Unit In-Service Training	Vocational Rehabilitation, Division of	60,495	
84.282	Charter Schools	Superintendent of Public Instruction	2,563,060	
84.287	Twenty-First Century Community Learning Centers	Superintendent of Public Instruction	5,321,252	
84.323	Special Education - State Personnel Development	Superintendent of Public Instruction	654,019	
84.330	Advanced Placement Program	Superintendent of Public Instruction	61,376	
84.331	Workplace and Community Transition Training for Incarcerated Individuals	Correction, Department of	116,891	
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	Superintendent of Public Instruction	1,276,108	
84.350	Transition to Teaching	Education, State Board of	42,377	
84.357	Reading First State Grants	Superintendent of Public Instruction	777,559	
84.358	Rural Education	Superintendent of Public Instruction	201,863	
84.365	English Language Acquisition Grants	Superintendent of Public Instruction	1,831,773	
84.366	Mathematics and Science Partnerships	Superintendent of Public Instruction	839,669	

\*Type: NC = Non-Cash Assistance; PT = Pass-Through Assistance; R&D = Research and Development Cluster  
The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
84.367	Improving Teacher Quality State Grants	Education, State Board of	\$368,310	
84.367	Improving Teacher Quality State Grants	Superintendent of Public Instruction	12,627,707	
84.368	Grants for Enhanced Assessment Instruments	Superintendent of Public Instruction	513,090	
84.369	Grants for State Assessments and Related Activities	Superintendent of Public Instruction	4,080,879	
84.371	Striving Readers	Superintendent of Public Instruction	23,924	
84.373	Special Education - Technical Assistance on State Data Collection	Superintendent of Public Instruction	157,457	
84.378	College Access Challenge Grant Program	Education, State Board of	760,657	
84.410	Education Job Funds	Superintendent of Public Instruction	16,113,027	
	TOTAL NON-CLUSTERED PROGRAMS		\$61,947,005	
	TOTAL DEPARTMENT OF EDUCATION		\$268,814,684	
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION				
89.003	National Historical Publications and Records Grants	Historical Society, Idaho State	\$88,707	
	TOTAL NATIONAL ARCHIVES AND RECORDS ADMINISTRATION		\$88,707	
ELECTION ASSISTANCE COMMISSION				
90.401	Help America Vote Act Requirements Payments	Secretary of State	\$649,384	
	TOTAL ELECTION ASSISTANCE COMMISSION		\$649,384	
HEALTH AND HUMAN SERVICES				
AGING CLUSTER:				
93.044	Grants for Supportive Services and Senior Centers	Aging, Commission on	\$1,946,275	
93.045	Nutrition Services	Aging, Commission on	2,487,234	
93.053	Nutrition Services Incentive Program	Aging, Commission on	653,942	
	TOTAL AGING CLUSTER		\$5,087,451	
IMMUNIZATION CLUSTER:				
93.268	Immunization Grants	Health and Welfare, Department of	\$1,746,878	
93.268	Immunization Grants	Health and Welfare, Department of	26,045,805	NC
	TOTAL IMMUNIZATION CLUSTER		\$27,792,683	
TANF CLUSTER:				
93.558	Temporary Assistance for Needy Families	Health and Welfare, Department of	\$18,321,096	
93.714	ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families	Health and Welfare, Department of	901,754	
	TOTAL TANF CLUSTER		\$19,222,850	
CSBG CLUSTER:				
93.569	Community Services Block Grant	Health and Welfare, Department of	\$3,629,401	
93.710	ARRA - Community Services Block Grant	Health and Welfare, Department of	1,447,823	
	TOTAL CSBG CLUSTER		\$5,077,224	
CCDF CLUSTER:				
93.575	Child Care and Development Block Grant	Health and Welfare, Department of	\$18,667,971	
93.596	Child Care Mandatory & Matching Funds of the Child Care and Develop. Fund	Health and Welfare, Department of	2,647,467	
93.713	ARRA - Child Care and Development Block Grant	Health and Welfare, Department of	1,277,164	
	TOTAL CCDF CLUSTER		\$22,592,602	
HEAD START CLUSTER:				
93.600	Head Start	Health and Welfare, Department of	\$121,917	
	TOTAL HEAD START CLUSTER		\$121,917	
MEDICAID CLUSTER:				
93.720	ARRA - Survey and Certification Ambulatory Surgical Center Healthcare (ASC-HAI)	Health and Welfare, Department of	\$33,677	
93.775	State Medicaid Fraud Control Units	Attorney General, Office of the	497,888	
93.777	State Survey and Certification of Health Care Providers and Suppliers	Health and Welfare, Department of	2,322,686	
93.778	ARRA - Medical Assistance Program	Health and Welfare, Department of	140,901,725	
93.778	Medical Assistance Program	Health and Welfare, Department of	1,090,885,470	
	TOTAL MEDICAID CLUSTER		\$1,234,641,446	
NON- CLUSTERED PROGRAMS:				
93.041	Programs for Prevention of Elder Abuse, Neglect, and Exploitation	Aging, Commission on	\$18,008	
93.042	Long Term Care Ombudsman Services for Older Individuals	Aging, Commission on	67,916	
93.043	Disease Prevention and Health Promotion Services	Aging, Commission on	112,290	
93.048	Special Programs for the Aging - Discretionary Projects	Aging, Commission on	516,517	
93.048	Special Programs for the Aging - Discretionary Projects	Health and Welfare, Department of	281,626	
93.051	Alzheimer's Disease Demonstration Grants to States	Aging, Commission on	2,794	
93.052	National Family Caregiver Support	Aging, Commission on	678,455	

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STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
93.069	Public Health Emergency Preparedness	Health and Welfare, Department of	\$7,486,372	
93.071	Medicare Enrollment Assistance Program	Aging, Commission on	45,424	
93.087	Enhance Safety of Children Affected by Parental Meth. or Other Substance Abuse	Health and Welfare, Department of	309,178	
93.089	Emergency System for Advance Registration of Volunteer Health Professionals	Health and Welfare, Department of	42,756	
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program	Health and Welfare, Department of	414	
93.110	Maternal and Child Health Federal Consolidated Programs	Health and Welfare, Department of	193,519	
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control	Health and Welfare, Department of	180,265	
93.127	Emergency Medical Services for Children	Health and Welfare, Department of	143,333	
93.130	Cooperative Agmts. - States/Territories - Coord. & Develop. of Primary Care Ofcs.	Health and Welfare, Department of	100,147	
93.136	Injury Prevent. & Control Research/State and Community Based Prog.	Health and Welfare, Department of	169,117	
93.150	Projects for Assistance in Transition from Homelessness	Health and Welfare, Department of	74,008	
93.217	Family Planning - Services	Health and Welfare, Department of	1,862,183	
93.240	State Capacity Building	Health and Welfare, Department of	201,201	
93.241	State Rural Hospital Flexibility Program	Health and Welfare, Department of	475,222	
93.243	Substance Abuse & Mental Health Svs. - Projects of Regional & Natl. Significance	Health and Welfare, Department of	342,040	
93.251	Universal Newborn Hearing Screening	Health and Welfare, Department of	310,233	
93.270	Adult Viral Hepatitis Prevention and Control	Health and Welfare, Department of	13,450	
93.275	Substance Abuse and Mental Health Services - Access to Recovery	Health and Welfare, Department of	453,849	
93.283	Centers for Disease Control & Prevention - Investigations & Technical Assistance	Health and Welfare, Department of	4,663,194	
93.301	Small Rural Hospital Improvement Grant Program	Health and Welfare, Department of	237,506	
93.414	ARRA - State Primary Care Offices	Health and Welfare, Department of	30,383	
93.505	Affordable Care Act Maternal, Infant, and Early Childhood Home Visiting Program	Health and Welfare, Department of	144,645	
93.507	Strengthening Public Health Infrastructure for Improved Health Outcomes	Health and Welfare, Department of	84,542	
93.509	Affordable Care Act State Health Care Workforce Development Grants	Labor, Department of	56,155	
93.511	Affordable Care Act Grants to States for Health Insurance Premium Review	Insurance, Department of	40,622	
93.520	Affordable Care Act Communities Putting Prevention to Work	Health and Welfare, Department of	57,953	
93.521	Affordable Care Act Building Epi., Lab., & Health Info. Sys. Capacity in the ELC & EIP	Health and Welfare, Department of	134,559	
93.523	Affordable Care Act HIV Prevention and Public Health Fund Activities	Health and Welfare, Department of	23,825	
93.525	State Planning and Establishment Grants for Affordable Care Act Exchanges	Health and Welfare, Department of	325,325	
93.525	State Planning and Establishment Grants for Affordable Care Act Exchanges	Insurance, Department of	89,302	
93.556	Promoting Safe and Stable Families	Health and Welfare, Department of	1,302,003	
93.563	ARRA - Child Support Enforcement	Health and Welfare, Department of	455,123	
93.563	Child Support Enforcement	Health and Welfare, Department of	11,417,294	
93.566	Refugee and Entrant Assistance - State Administered Programs	Health and Welfare, Department of	1,647,631	
93.568	Low-Income Home Energy Assistance	Health and Welfare, Department of	18,775,291	
93.586	State Court Improvement Program	Judicial Department	357,657	
93.590	Community-Based Child Abuse Prevention Grants	Health and Welfare, Department of	177,285	
93.597	Grants to States for Access and Visitation Programs	Health and Welfare, Department of	103,025	
93.599	Chafee Education and Training Vouchers Program	Health and Welfare, Department of	157,861	
93.603	Adoption Incentive Payments	Health and Welfare, Department of	49,698	
93.617	Voting Access for Individuals with Disabilities - Grants to States	Secretary of State	101,711	
93.630	Developmental Disabilities Basic Support and Advocacy Grants	Health and Welfare, Department of	436,313	
93.643	Children's Justice Grants To States	Health and Welfare, Department of	117,038	
93.645	Stephanie Tubbs Jones Child Welfare Services Program	Health and Welfare, Department of	1,319,363	
93.658	ARRA - Foster Care-Title IV-E	Health and Welfare, Department of	249,721	
93.658	Foster Care-Title IV-E	Health and Welfare, Department of	9,994,346	
93.659	ARRA - Adoption Assistance	Health and Welfare, Department of	422,441	
93.659	Adoption Assistance	Health and Welfare, Department of	6,005,847	
93.667	Social Services Block Grant	Health and Welfare, Department of	11,905,885	
93.669	Child Abuse and Neglect State Grants	Health and Welfare, Department of	158,846	
93.671	Family Violence Prevention & Services/Grants for Battered Women's Shelters	Health and Welfare, Department of	880,203	
93.674	Chafee Foster Care Independence Program	Health and Welfare, Department of	444,156	
93.717	ARRA - Preventing Healthcare-Associated Infections	Health and Welfare, Department of	65,522	
93.719	ARRA - State Grants to Promote Health Information Technology	Health and Welfare, Department of	136,346	
93.723	ARRA - Prevention and Wellness - State, Territories and Pacific Islands	Health and Welfare, Department of	337,405	
93.725	ARRA - Communities Putting Prevention to Work: Chronic Disease Self-Management	Health and Welfare, Department of	88,850	
93.729	ARRA - Health Information Technology and Public Health	Health and Welfare, Department of	521,663	
93.767	Children's Health Insurance Program	Health and Welfare, Department of	38,631,641	
93.779	Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	Health and Welfare, Department of	139,454	
93.779	Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	Insurance, Department of	399,463	
93.791	Money Follows the Person Rebalancing Demonstration	Health and Welfare, Department of	66,445	
93.889	National Bioterrorism Hospital Preparedness Program	Health and Welfare, Department of	2,339,803	
93.913	Grants to States for Operation of Offices of Rural Health	Health and Welfare, Department of	156,186	
93.917	HIV Care Formula Grants	Health and Welfare, Department of	1,486,489	
93.938	Comprehensive Sch. Health Prog./Prevent Spread - HIV & Other Import. Health Prob.	Superintendent of Public Instruction	627,536	

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STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY FEDERAL AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	FEDERAL AGENCY FEDERAL PROGRAM TITLE	STATE AGENCY	AMOUNT	TYPE*
93.940	HIV Prevention Activities - Health Department Based	Health and Welfare, Department of	\$868,929	
93.944	HIV/AIDS Surveillance	Health and Welfare, Department of	70,083	
93.958	Block Grants for Community Mental Health Services	Health and Welfare, Department of	1,747,181	
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Health and Welfare, Department of	7,847,705	
93.977	Preventive Health Services - Sexually Transmitted Diseases Control Grants	Health and Welfare, Department of	439,495	
93.991	Preventive Health and Health Services Block Grant	Health and Welfare, Department of	330,113	
93.994	Maternal and Child Health Services Block Grant to the States	Health and Welfare, Department of	2,924,027	
93.999	Clinical Laboratory Improvement Amendments	Health and Welfare, Department of	163,165	
93.999	Drug Alcohol Information	Health and Welfare, Department of	38,175	
93.999	Food Sanitation Inspection	Health and Welfare, Department of	6,068	
93.999	Mammography Quality	Health and Welfare, Department of	46,455	
93.999	State EPI Outcomes	Health and Welfare, Department of	156,366	
93.999	State Outcomes Measurement and Management System	Health and Welfare, Department of	143,730	
Pass-Through From Non-State Entities:				
93.307	Minority Health and Health Disparities Research Mountain States Group, Inc., Grantor numbers R24 MD001711 and R21 MH085792	Hispanic Affairs, Commission on	11,912	PT
TOTAL NON-CLUSTERED PROGRAMS			\$146,237,273	
TOTAL HEALTH AND HUMAN SERVICES			\$1,460,773,446	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
94.003	State Commissions	Labor, Department of	\$235,323	
94.004	Learn and Serve America - School and Community Based Programs	Superintendent of Public Instruction	70,066	
94.007	Program Development and Innovation Grants	Labor, Department of	18,818	
94.009	Training and Technical Assistance	Labor, Department of	184,469	
94.013	Volunteers in Service to America	Superintendent of Public Instruction	46,626	
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			\$555,302	
SOCIAL SECURITY ADMINISTRATION				
DISABILITY INSURANCE/SSI CLUSTER:				
96.001	Social Security - Disability Insurance	Labor, Department of	\$8,759,581	
TOTAL DISABILITY INSURANCE/SSI CLUSTER			\$8,759,581	
NON-CLUSTERED PROGRAMS:				
96.999	Vital Statistics Birth Records Grants	Health and Welfare, Department of	\$53,816	
96.999	Vital Statistics Cooperative Program	Health and Welfare, Department of	215,716	
96.999	Social Security Birth and Death Reports	Health and Welfare, Department of	28,653	
TOTAL NON-CLUSTERED PROGRAMS			\$298,185	
TOTAL SOCIAL SECURITY ADMINISTRATION			\$9,057,766	
DEPARTMENT OF HOMELAND SECURITY				
HOMELAND SECURITY CLUSTER:				
97.067	Homeland Security Grant Program	Military, Division of	\$6,181,275	
TOTAL HOMELAND SECURITY CLUSTER			\$6,181,275	
NON-CLUSTERED PROGRAMS:				
97.012	Boating Safety Financial Assistance	Parks and Recreation, Department of	\$766,370	
97.023	Community Assistance Program - State Support Services Element	Water Resources, Department of	87,063	
97.029	Flood Mitigation Assistance	Military, Division of	40,013	
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Military, Division of	1,167,881	
97.039	Hazard Mitigation Grant	Military, Division of	30,737	
97.041	National Dam Safety Program	Water Resources, Department of	68,677	
97.042	Emergency Management Performance Grants	Military, Division of	2,948,612	
97.043	State Fire Training Systems Grants	Professional-Technical Education, Division of	7,626	
97.045	Cooperating Technical Partners	Water Resources, Department of	208,880	
97.046	Fire Management Assistance Grant	Military, Division of	335,753	
97.047	Pre-Disaster Mitigation	Military, Division of	904,878	
97.052	Emergency Operations Centers	Military, Division of	773,258	
97.055	Interoperable Emergency Communications	Military, Division of	317,863	
97.070	Map Modernization Management Support	Water Resources, Department of	37,542	
97.078	Buffer Zone Protection Plan	Military, Division of	518,528	
97.082	Earthquake Consortium	Military, Division of	32,387	
97.089	Driver's License Security Grant Program	Transportation Department, Idaho	900,490	
TOTAL NON-CLUSTERED PROGRAMS			\$9,146,558	
TOTAL DEPARTMENT OF HOMELAND SECURITY			\$15,327,833	
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$3,443,461,820	

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**SCHEDULE  
OF  
EXPENDITURES OF FEDERAL AWARDS  
BY STATE AGENCY**

STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY STATE AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
<b>ADMINISTRATION, DEPARTMENT OF</b>				
11.558	ARRA - State Broadband Data & Development Grant	Department of Commerce	\$37,417	PT
17.151	ARRA - Employee Benefits Security Administration	Department of Labor	466,243	
39.003	Donation of Federal Surplus Personal Property	General Services Administration	1,378,133	NC
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Department of Education	1,665,326	
	<b>TOTAL ADMINISTRATION, DEPARTMENT OF</b>		<b>\$3,547,119</b>	
<b>AGING, COMMISSION ON</b>				
17.235	Senior Community Service Employment Program	Department of Labor	\$873,454	
93.041	Programs for Prevention of Elder Abuse, Neglect, and Exploitation	Health and Human Services	18,008	
93.042	Long Term Care Ombudsman Services for Older Individuals	Health and Human Services	67,916	
93.043	Disease Prevention and Health Promotion Services	Health and Human Services	112,290	
93.044	Grants for Supportive Services and Senior Centers	Health and Human Services	1,946,275	
93.045	Nutrition Services	Health and Human Services	2,487,234	
93.048	Special Programs for the Aging - Discretionary Projects	Health and Human Services	516,517	
93.051	Alzheimer's Disease Demonstration Grants to States	Health and Human Services	2,794	
93.052	National Family Caregiver Support	Health and Human Services	678,455	
93.053	Nutrition Services Incentive Program	Health and Human Services	653,942	
93.071	Medicare Enrollment Assistance Program	Health and Human Services	45,424	
	<b>TOTAL AGING, IDAHO COMMISSION ON</b>		<b>\$7,402,309</b>	
<b>AGRICULTURE, DEPARTMENT OF</b>				
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Department of Agriculture	\$1,642,836	
10.086	Aquaculture Grants Program	Department of Agriculture	408,980	
10.162	Inspection Grading and Standardization	Department of Agriculture	50,941	
10.163	Market Protection and Promotion	Department of Agriculture	143,576	
10.169	Specialty Crop Block Grant Program	Department of Agriculture	73,644	
10.170	Specialty Crop Block Grant Program - Farm Bill	Department of Agriculture	715,978	
10.304	Homeland Security - Agricultural	Department of Agriculture	624	PT
10.664	Cooperative Forestry Assistance	Department of Agriculture	493,770	
10.688	ARRA - Wildland Fire Management	Department of Agriculture	1,124,295	
10.769	Rural Business Enterprise Grants	Department of Agriculture	7,500	
10.950	Agricultural Statistics Reports	Department of Agriculture	46,295	
10.999	Forest Service Aquatic Invasive Species Monitoring	Department of Agriculture	32,242	
15.230	Invasive and Noxious Plant Management	Department of the Interior	315,758	
15.231	ARRA - Fish, Wildlife, and Plant Conservation Resource Management	Department of the Interior	728,910	
15.231	Fish, Wildlife and Plant Conservation Resource Management	Department of the Interior	37,910	
15.630	Coastal Program	Department of the Interior	84,998	
15.SFB	Herbivory Effects on Slickspot Peppergrass	Department of the Interior	1,909	
66.700	Consolidated Pesticide Enforcement Cooperative Agreements	Environmental Protection Agency	429,947	
	<b>TOTAL AGRICULTURE, DEPARTMENT OF</b>		<b>\$6,340,113</b>	
<b>ARTS, COMMISSION ON THE</b>				
45.025	Promotion of the Arts - Partnership Agreements	Natl. Found. on Arts & Humanities	\$790,614	
	<b>TOTAL ARTS, COMMISSION ON THE</b>		<b>\$790,614</b>	
<b>ATTORNEY GENERAL, OFFICE OF THE</b>				
16.543	Missing Children's Assistance	Department of Justice	\$140,587	
16.800	ARRA - Internet Crimes against Children Task Force Program	Department of Justice	117,380	
93.775	State Medicaid Fraud Control Units	Health and Human Services	497,888	
	<b>TOTAL ATTORNEY GENERAL, OFFICE OF THE</b>		<b>\$755,855</b>	
<b>BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE</b>				
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Department of Education	\$2,647,939	
84.169	Independent Living - State Grants	Department of Education	189,014	
84.177	Independent Living Services for Older Individuals Who Are Blind	Department of Education	225,000	
84.187	Supported Employment Services for Individuals w/Significant Disabilities	Department of Education	4,520	
84.265	State Vocational Rehabilitation Unit In-Service Training	Department of Education	21,626	
84.390	ARRA - Vocational Rehabilitation Grants to State	Department of Education	215,595	
84.398	ARRA - Independent Living - State Grants	Department of Education	85,319	
84.399	ARRA - Independent Living for Older Individuals Who Are Blind	Department of Education	33,299	
	<b>TOTAL BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE</b>		<b>\$3,422,312</b>	
<b>BUILDING SAFETY, DIVISION OF</b>				
14.171	Manufactured Home Dispute Resolution	Housing and Urban Development	\$31,208	
	<b>TOTAL BUILDING SAFETY, DIVISION OF</b>		<b>\$31,208</b>	

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STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY STATE AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
<b>COMMERCE, DEPARTMENT OF</b>				
10.446	Rural Community Development Initiative	Department of Agriculture	\$35,597	
12.002	Procurement Technical Assistance for Business Firms	Department of Defense	195,659	
12.610	Community Economic Adjustment Planning Assistance - Joint Land Use Studies	Department of Defense	76,525	
14.228	Community Development Block Grants/State's Program	Housing and Urban Development	10,412,591	
14.228	ARRA - Community Development Block Grants	Housing and Urban Development	1,000,049	
59.058	Fed and State Tech Partnership Program (FAST)	Small Business Administration	38,105	
	<b>TOTAL COMMERCE, DEPARTMENT OF</b>		<b>\$11,758,526</b>	
<b>CORRECTION, DEPARTMENT OF</b>				
16.601	Corrections - Training and Staff Development	Department of Justice	\$15,531	
16.606	State Criminal Alien Assistance Program	Department of Justice	266,883	
16.735	Protecting Inmates and Safeguarding Communities Discretionary Grant	Department of Justice	39,435	
16.810	ARRA - Assistance to Rural Law Enforcement to Combat Crime and Drugs	Department of Justice	84,155	
84.331	Workplace and Community Transition Training for Incarcerated Individuals	Department of Education	116,891	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Department of Education	1,996,621	
	<b>TOTAL CORRECTION, DEPARTMENT OF</b>		<b>\$2,519,516</b>	
<b>EDUCATION, STATE BOARD OF</b>				
84.069	Leveraging Educational Assistance Partnership	Department of Education	\$157,849	
84.185	Byrd Honors Scholarships	Department of Education	238,500	
84.350	Transition to Teaching	Department of Education	42,377	
84.367	Improving Teacher Quality State Grants	Department of Education	368,310	
84.378	College Access Challenge Grant Program	Department of Education	760,657	
	<b>TOTAL EDUCATION, STATE BOARD OF</b>		<b>\$1,567,693</b>	
<b>ENERGY RESOURCES, OFFICE OF</b>				
81.041	ARRA - State Energy Program	Department of Energy	\$8,091,036	
81.041	State Energy Program	Department of Energy	222,869	
81.117	ARRA - Energy Efficiency/Renew. Energy Info. Dissem./Outreach/Training/Tech. Assist.	Department of Energy	280,824	
81.119	State Energy Program Special Projects	Department of Energy	28,235	
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	Department of Energy	122,740	
81.127	ARRA - Energy Efficient Appliance Rebate Program	Department of Energy	1,049,004	
81.128	ARRA - Energy Efficiency and Conservation Community Block Grant	Department of Energy	5,081,246	
	<b>TOTAL ENERGY RESOURCES, OFFICE OF</b>		<b>\$14,875,954</b>	
<b>ENVIRONMENTAL QUALITY, DEPARTMENT OF</b>				
10.687	ARRA - Capital Improvement and Maintenance	Department of Agriculture	\$66,343	
12.113	Agreement Program for the Reimbursement of Technical Services	Department of Defense	150,161	
15.DAH	Hazards/Hazmat	Department of the Interior	10,656	
66.001	Air Pollution Control Program Support	Environmental Protection Agency	1,476,605	
66.034	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Air Act	Environmental Protection Agency	376,012	
66.034	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Air Act	Environmental Protection Agency	72,785	NC
66.036	Clean School Bus USA	Environmental Protection Agency	(25,343)	
66.039	National Clean Diesel Emissions Reduction Program	Environmental Protection Agency	46,679	
66.040	ARRA - State Clean Diesel Grant Program	Environmental Protection Agency	754,174	
66.040	State Clean Diesel Grant Program	Environmental Protection Agency	108,595	
66.202	Congressionally Mandated Projects	Environmental Protection Agency	115,346	
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	Environmental Protection Agency	2,073,159	
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	Environmental Protection Agency	28,500	NC
66.432	State Public Water System Supervision	Environmental Protection Agency	1,128,503	
66.436	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Water Act	Environmental Protection Agency	62,493	
66.454	ARRA - Water Quality Management Planning	Environmental Protection Agency	28,901	
66.454	Water Quality Management Planning	Environmental Protection Agency	90,642	
66.458	ARRA - Capitalization Grants for Clean Water State Revolving Funds	Environmental Protection Agency	10,868,593	
66.458	Capitalization Grants for Clean Water State Revolving Funds	Environmental Protection Agency	9,921,163	
66.460	Nonpoint Source Implementation Grants	Environmental Protection Agency	2,532,137	
66.461	Regional Wetland Program Development Grants	Environmental Protection Agency	489	
66.468	ARRA - Capitalization Grants for Drinking Water State Revolving Funds	Environmental Protection Agency	11,033,251	
66.468	Capitalization Grants for Drinking Water State Revolving Funds	Environmental Protection Agency	7,838,588	
66.471	State Grants to Reimburse Oper. of Sm. Water Sys. for Training & Cert. Costs	Environmental Protection Agency	134,372	
66.474	Water Protection Grants to the States	Environmental Protection Agency	71,975	
66.606	Surveys, Studies, Investigations and Special Purpose Grants	Environmental Protection Agency	19,207	
66.608	Environmental Information Exchange Network Grant Program	Environmental Protection Agency	123,085	
66.708	Pollution Prevention Grants Program	Environmental Protection Agency	46,816	

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STATE OF IDAHO  
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CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
66.801	Hazardous Waste Management State Program Support	Environmental Protection Agency	\$412,160	
66.802	ARRA - Superfund State, Political Sub. & Indian Tribe Site - Specific Cooperative Agmts.	Environmental Protection Agency	3,505,292	
66.802	Superfund State, Political Sub. & Indian Tribe Site - Specific Cooperative Agmts.	Environmental Protection Agency	13,616,246	
66.804	Underground Storage Tank Prevention, Detection and Compliance Program	Environmental Protection Agency	417,543	
66.805	ARRA - Leaking Underground Storage Tank Trust Fund Corrective Action Program	Environmental Protection Agency	381,127	
66.805	Leaking Underground Storage Tank Trust Fund Corrective Action Program	Environmental Protection Agency	688,776	
66.809	Superfund State and Indian Tribe Core Program Cooperative Agreements	Environmental Protection Agency	136,751	
66.817	State and Tribal Response Program Grants	Environmental Protection Agency	886,507	
66.818	ARRA - Brownfields Assessment and Cleanup Cooperative Agreements	Environmental Protection Agency	150,351	
66.818	Brownfields Assessment and Cleanup Cooperative Agreements	Environmental Protection Agency	10,450	
81.502	Idaho National Laboratory Oversight	Department of Energy	363,826	PT
81.502	Idaho National Laboratory Oversight	Department of Energy	2,957,993	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Department of Education	10,160,300	
	<b>TOTAL ENVIRONMENTAL QUALITY, DEPARTMENT OF</b>		<b>\$82,841,209</b>	
	<b>FISH AND GAME, DEPARTMENT OF</b>			
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Department of Agriculture	\$69,210	
10.028	Wildlife Services	Department of Agriculture	96,179	
10.999	Miscellaneous Forest Service Grants	Department of Agriculture	598,243	
10.999	Miscellaneous Natural Resources Conservation Service Grants	Department of Agriculture	67,624	
11.407	Interjurisdictional Fisheries Act of 1986	Department of Commerce	14,731	
11.436	Columbia River Fisheries Development Program	Department of Commerce	1,325,782	
11.438	Pacific Coast Salmon Recovery - Pacific Salmon Treaty Program	Department of Commerce	195,171	
11.441	Regional Fishery Management Councils	Department of Commerce	77,626	
11.999	Miscellaneous NOAA Grants	Department of Commerce	938,409	
12.999	Miscellaneous Army Corps of Engineers Grants	Department of Defense	5,220	
15.231	Fish, Wildlife, and Plant Conservation Resource Management	Department of the Interior	800,497	
15.605	Sport Fish Restoration	Department of the Interior	5,720,626	
15.608	Fish and Wildlife Management Assistance	Department of the Interior	354,211	
15.611	Wildlife Restoration and Basic Hunter Education	Department of the Interior	6,998,758	
15.615	Cooperative Endangered Species Conservation Fund	Department of the Interior	417,141	
15.633	Landowner Incentive	Department of the Interior	214,494	
15.634	State Wildlife Grants	Department of the Interior	862,781	
15.647	Migratory Bird Conservation	Department of the Interior	56,418	
15.649	Service Training and Technical Assistance	Department of the Interior	4,579,332	
15.808	U.S. Geological Survey - Research and Data Collection	Department of the Interior	6,969	
15.999	Miscellaneous Fish and Wildlife Service Grants	Department of the Interior	97,572	
15.999	Miscellaneous Bureau of Reclamation Grants	Department of the Interior	452,040	
15.999	Miscellaneous National Park Services Grants	Department of the Interior	15,211	
66.461	Regional Wetland Program Development Grants	Environmental Protection Agency	85,965	
81.999	Miscellaneous Bonneville Power Administration Grants	Department of Energy	9,924,541	
81.999	Miscellaneous Bonneville Power Administration Grants	Department of Energy	1,750,000	NC
	<b>TOTAL FISH AND GAME, DEPARTMENT OF</b>		<b>\$35,724,751</b>	
	<b>HEALTH AND WELFARE, DEPARTMENT OF</b>			
10.551	Supplemental Nutrition Assistance Program (SNAP)	Department of Agriculture	\$351,983,201	NC
10.557	Supplemental Nutrition for Women, Infants, and Children (WIC)	Department of Agriculture	28,472,617	
10.561	ARRA - State Administrative Matching Grants - Supple. Nutrition Assist. Program	Department of Agriculture	5,399	
10.561	State Administrative Matching Grants - Supple. Nutrition Assist. Program	Department of Agriculture	9,593,878	
10.568	ARRA - Emergency Food Assistance Program (Administrative Costs)	Department of Agriculture	207,470	
10.568	Emergency Food Assistance Program (Administrative Costs)	Department of Agriculture	137,366	
10.569	Emergency Food Assistance Program (Food Commodities)	Department of Agriculture	2,790,611	NC
10.578	ARRA - WIC Grants to State	Department of Agriculture	1,790,655	
16.575	Crime Victim Assistance	Department of Justice	2,314,462	
16.801	ARRA - State Victim Assistance	Department of Justice	261,806	
66.032	State Indoor Radon Grants	Environmental Protection Agency	81,869	
66.034	Surveys, Studies, Research, Invest. Demos & Special Purpose Activities - Clean Air Act	Environmental Protection Agency	24,594	
81.042	Weatherization Assistance for Low-Income Persons	Department of Energy	1,550,293	
81.042	ARRA - Weatherization Assistance for Low-Income Persons	Department of Energy	12,748,112	
81.999	Weatherization Conference	Department of Energy	368,563	
84.181	Special Education - Grants for Infants and Families	Department of Education	2,395,268	
84.393	ARRA - Special Education - Grants for Infants and Families	Department of Education	1,705,713	
93.048	Special Programs for the Aging - Discretionary Projects	Health and Human Services	281,626	
93.069	Public Health Emergency Preparedness	Health and Human Services	7,486,372	
93.087	Enhance Safety of Children Affected by Parental Meth. or Other Substance Abuse	Health and Human Services	309,178	
93.089	Emergency System for Advance Registration of Volunteer Health Professionals	Health and Human Services	42,756	
93.092	Affordable Care Act (ACA) Personal Responsibility Education Program	Health and Human Services	414	

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CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
93.110	Maternal and Child Health Federal Consolidated Programs	Health and Human Services	\$193,519	
93.116	Project Grants and Cooperative Agreements for Tuberculosis Control	Health and Human Services	180,265	
93.127	Emergency Medical Services for Children	Health and Human Services	143,333	
93.130	Cooperative Agmts. - States/Territories - Coord. & Develop. of Primary Care Ofes.	Health and Human Services	100,147	
93.136	Injury Prevent. & Control Research/State and Community Based Prog.	Health and Human Services	169,117	
93.150	Projects for Assistance in Transition from Homelessness	Health and Human Services	74,008	
93.217	Family Planning - Services	Health and Human Services	1,862,183	
93.240	State Capacity Building	Health and Human Services	201,201	
93.241	State Rural Hospital Flexibility Program	Health and Human Services	475,222	
93.243	Substance Abuse & Mental Health Svs. - Projects of Regional & Natl. Significance	Health and Human Services	342,040	
93.251	Universal Newborn Hearing Screening	Health and Human Services	310,233	
93.268	Immunization Grants	Health and Human Services	1,746,878	
93.268	Immunization Grants	Health and Human Services	26,045,805	NC
93.270	Adult Viral Hepatitis Prevention and Control	Health and Human Services	13,450	
93.275	Substance Abuse and Mental Health Services - Access to Recovery	Health and Human Services	453,849	
93.283	Centers for Disease Control & Prevention - Investigations & Technical Assistance	Health and Human Services	4,663,194	
93.301	Small Rural Hospital Improvement Grant Program	Health and Human Services	237,506	
93.414	ARRA - State Primary Care Offices	Health and Human Services	30,383	
93.505	Affordable Care Act Maternal, Infant, and Early Childhood Home Visiting Program	Health and Human Services	144,645	
93.507	Strengthening Public Health Infrastructure for Improved Health Outcomes	Health and Human Services	84,542	
93.520	Affordable Care Act Communities Putting Prevention to Work	Health and Human Services	57,953	
93.521	Affordable Care Act Building Epi., Lab., & Health Info. Sys. Capacity in the ELC & EIP	Health and Human Services	134,559	
93.523	Affordable Care Act HIV Prevention and Public Health Fund Activities	Health and Human Services	23,825	
93.525	State Planning and Establishment Grants for Affordable Care Act Exchanges	Health and Human Services	325,325	
93.556	Promoting Safe and Stable Families	Health and Human Services	1,302,003	
93.558	Temporary Assistance for Needy Families	Health and Human Services	18,321,096	
93.563	ARRA - Child Support Enforcement	Health and Human Services	455,123	
93.563	Child Support Enforcement	Health and Human Services	11,417,294	
93.566	Refugee and Entrant Assistance - State Administered Programs	Health and Human Services	1,647,631	
93.568	Low-Income Home Energy Assistance	Health and Human Services	18,775,291	
93.569	Community Services Block Grant	Health and Human Services	3,629,401	
93.575	Child Care and Development Block Grant	Health and Human Services	18,667,971	
93.590	Community-Based Child Abuse Prevention Grants	Health and Human Services	177,285	
93.596	Child Care Mandatory & Matching Funds of the Child Care and Develop. Fund	Health and Human Services	2,647,467	
93.597	Grants to States for Access and Visitation Programs	Health and Human Services	103,025	
93.599	Chafee Education and Training Vouchers Program	Health and Human Services	157,861	
93.600	Head Start	Health and Human Services	121,917	
93.603	Adoption Incentive Payments	Health and Human Services	49,698	
93.630	Developmental Disabilities Basic Support and Advocacy Grants	Health and Human Services	436,313	
93.643	Children's Justice Grants To States	Health and Human Services	117,038	
93.645	Stephanie Tubbs Jones Child Welfare Services Program	Health and Human Services	1,319,363	
93.658	ARRA - Foster Care-Title IV-E	Health and Human Services	249,721	
93.658	Foster Care-Title IV-E	Health and Human Services	9,994,346	
93.659	ARRA - Adoption Assistance	Health and Human Services	422,441	
93.659	Adoption Assistance	Health and Human Services	6,005,847	
93.667	Social Services Block Grant	Health and Human Services	11,905,885	
93.669	Child Abuse and Neglect State Grants	Health and Human Services	158,846	
93.671	Family Violence Prevention & Services/Grants for Battered Women's Shelters	Health and Human Services	880,203	
93.674	Chafee Foster Care Independence Program	Health and Human Services	444,156	
93.710	ARRA - Community Services Block Grant	Health and Human Services	1,447,823	
93.713	ARRA - Child Care and Development Block Grant	Health and Human Services	1,277,164	
93.714	ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families	Health and Human Services	901,754	
93.717	ARRA - Preventing Healthcare-Associated Infections	Health and Human Services	65,522	
93.719	ARRA - State Grants to Promote Health Information Technology	Health and Human Services	136,346	
93.720	ARRA - Survey and Certification Ambulatory Surgical Center Healthcare (ASC-HA)	Health and Human Services	33,677	
93.723	ARRA - Prevention and Wellness - State, Territories and Pacific Islands	Health and Human Services	337,405	
93.725	ARRA - Communities Putting Prevention to Work: Chronic Disease Self-Management	Health and Human Services	88,850	
93.729	ARRA - Health Information Technology and Public Health	Health and Human Services	521,663	
93.767	Children's Health Insurance Program	Health and Human Services	38,631,641	
93.777	State Survey and Certification of Health Care Providers and Suppliers	Health and Human Services	2,322,686	
93.778	ARRA - Medical Assistance Program	Health and Human Services	140,901,725	
93.778	Medical Assistance Program	Health and Human Services	1,090,885,470	
93.779	Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	Health and Human Services	139,454	
93.791	Money Follows the Person Rebalancing Demonstration	Health and Human Services	66,445	
93.889	National Bioterrorism Hospital Preparedness Program	Health and Human Services	2,339,803	

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CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
93.913	Grants to States for Operation of Offices of Rural Health	Health and Human Services	\$156,186	
93.917	HIV Care Formula Grants	Health and Human Services	1,486,489	
93.940	HIV Prevention Activities - Health Department Based	Health and Human Services	868,929	
93.944	HIV/AIDS Surveillance	Health and Human Services	70,083	
93.958	Block Grants for Community Mental Health Services	Health and Human Services	1,747,181	
93.959	Block Grants for Prevention and Treatment of Substance Abuse	Health and Human Services	7,847,705	
93.977	Preventive Health Services - Sexually Transmitted Diseases Control Grants	Health and Human Services	439,495	
93.991	Preventive Health and Health Services Block Grant	Health and Human Services	330,113	
93.994	Maternal and Child Health Services Block Grant to the States	Health and Human Services	2,924,027	
93.999	Clinical Laboratory Improvement Amendments	Health and Human Services	163,165	
93.999	Drug Alcohol Information	Health and Human Services	38,175	
93.999	Food Sanitation Inspection	Health and Human Services	6,068	
93.999	Mammography Quality	Health and Human Services	46,455	
93.999	State EPI Outcomes	Health and Human Services	156,366	
93.999	State Outcomes Measurement and Management System	Health and Human Services	143,730	
96.999	Vital Statistics Birth Records Grants	Social Security Administration	53,816	
96.999	Vital Statistics Cooperative Program	Social Security Administration	215,716	
96.999	Social Security Birth and Death Reports	Social Security Administration	28,653	
	<b>TOTAL HEALTH AND WELFARE, DEPARTMENT OF</b>		<b>\$1,868,792,407</b>	
93.307	<b>HISPANIC AFFAIRS, COMMISSION ON</b>			
	Minority Health and Health Disparities Research	Health and Human Services	\$11,912	PT
	<b>TOTAL HISPANIC AFFAIRS, COMMISSION ON</b>		<b>\$11,912</b>	
	<b>HISTORICAL SOCIETY, IDAHO STATE</b>			
14.246	CDBG/Brownfields Economic Development Initiative	Housing and Urban Development	\$22,169	PT
15.224	Cultural Resource Management	Department of the Interior	20,557	
15.238	Challenge Cost Sharing	Department of the Interior	6,990	
15.904	Historic Preservation Fund Grants-in-Aid	Department of the Interior	768,453	
15.929	Save America's Treasures	Department of the Interior	8,361	
45.129	Promotion of the Humanities - Federal/State Partnership	Natl. Found. on Arts & Humanities	442	
45.164	Promotion of the Humanities - Public Programs	Natl. Found. on Arts & Humanities	800	
89.003	National Historical Publications and Records Grants	Natl. Archives & Records Admin.	88,707	
	<b>TOTAL HISTORICAL SOCIETY, IDAHO STATE</b>		<b>\$916,479</b>	
	<b>INDUSTRIAL COMMISSION</b>			
16.576	Crime Victim Compensation	Department of Justice	\$458,000	
17.005	Compensation and Working Conditions	Department of Labor	3,672	
	<b>TOTAL INDUSTRIAL COMMISSION</b>		<b>\$461,672</b>	
	<b>INSURANCE, DEPARTMENT OF</b>			
93.511	Affordable Care Act Grants to States for Health Insurance Premium Review	Health and Human Services	\$40,622	
93.525	State Planning and Establishment Grants for Affordable Care Act Exchanges	Health and Human Services	89,302	
93.779	Centers for Medicare and Medicaid Services Research, Demonstrations and Evaluations	Health and Human Services	399,463	
	<b>TOTAL INSURANCE, DEPARTMENT OF</b>		<b>\$529,387</b>	
	<b>JUDICIAL DEPARTMENT</b>			
16.745	Criminal and Juvenile Justice and Mental Health Collaboration Program	Department of Justice	\$29,747	
16.756	Court Appointed Special Advocates	Department of Justice	56,450	PT
16.585	Drug Court Discretionary Grant Program	Department of Justice	72,959	
16.590	Grants to Encourage Arrest Policies and Enforcement of Protection Orders Program	Department of Justice	502,394	
93.586	State Court Improvement Program	Health and Human Services	357,657	
	<b>TOTAL JUDICIAL DEPARTMENT</b>		<b>\$1,019,207</b>	
	<b>JUVENILE CORRECTIONS, DEPARTMENT OF</b>			
16.523	Juvenile Accountability Block Grants	Department of Justice	\$336,826	
16.540	Juvenile Justice and Delinquency Prevention - Allocation to States	Department of Justice	566,716	
16.548	Title V - Delinquency Prevention Program	Department of Justice	57,343	
16.727	Enforcing Underage Drinking Laws Program	Department of Justice	427,231	
	<b>TOTAL JUVENILE CORRECTIONS, DEPARTMENT OF</b>		<b>\$1,388,116</b>	
	<b>LABOR, DEPARTMENT OF</b>			
17.002	Labor Force Statistics	Department of Labor	\$563,692	
17.207	ARRA - Employment Service/Wagner-Peyser Funded Activities	Department of Labor	1,222,001	
17.207	Employment Service/Wagner-Peyser Funded Activities	Department of Labor	7,246,114	
17.225	Unemployment Insurance	Department of Labor	\$24,205,746	

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CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
17.235	Senior Community Service Employment Program	Department of Labor	\$677,789	
17.245	Trade Adjustment Assistance	Department of Labor	5,184,032	
17.258	ARRA - WIA Adult Program	Department of Labor	82,490	
17.258	WIA Adult Program	Department of Labor	2,697,303	
17.259	ARRA - WIA Youth Activities	Department of Labor	281,289	
17.259	WIA Youth Activities	Department of Labor	2,565,309	
17.260	ARRA - WIA Dislocated Workers	Department of Labor	2,283,468	
17.260	WIA Dislocated Workers	Department of Labor	977,500	
17.266	Work Incentive Grants	Department of Labor	177,262	
17.268	H-1B Job Training Grants	Department of Labor	736	
17.275	ARRA - Worker Training and Placement in High Growth and Emerging Industry Sectors	Department of Labor	1,936,546	
17.275	ARRA - Worker Training and Placement in High Growth and Emerging Industry Sectors	Department of Labor	703,017	R&D
17.278	WIA Dislocated Workers	Department of Labor	2,727,965	
17.801	Disabled Veterans' Outreach Program	Department of Labor	600,068	
17.804	Local Veterans' Employment Representative Program	Department of Labor	210,926	
17.807	Transition Assistance Program	Department of Labor	16,416	
93.509	Affordable Care Act State Health Care Workforce Development Grants	Health and Human Services	56,155	
94.003	State Commissions	Corp. for Natl. & Community Svc.	235,323	
94.007	Program Development and Innovation Grants	Corp. for Natl. & Community Svc.	18,818	
94.009	Training and Technical Assistance	Corp. for Natl. & Community Svc.	184,469	
96.001	Social Security - Disability Insurance	Social Security Administration	8,759,581	
	TOTAL LABOR, DEPARTMENT OF		\$563,614,015	
	LANDS, DEPARTMENT OF			
10.664	Cooperative Forestry Assistance	Department of Agriculture	\$3,363,313	
10.672	Rural Development, Forestry, and Communities	Department of Agriculture	56	
10.676	Forest Legacy Program	Department of Agriculture	3,253,134	
10.677	Forest Land Enhancement Program	Department of Agriculture	2,210	
10.678	Forest Stewardship Program	Department of Agriculture	5,818	
10.688	ARRA - Wildland Fire Management	Department of Agriculture	2,699,302	
10.912	Environmental Quality Incentives Program	Department of Agriculture	39,248	
	TOTAL LANDS, DEPARTMENT OF		\$9,363,081	
	LIBRARIES, IDAHO COMMISSION FOR			
11.557	ARRA - Broadband Technology Opportunities Program (BTOP)	Department of Commerce	\$436,059	
45.129	Promotion of the Humanities - Federal/State Partnership	Natl. Found. on Arts & Humanities	7,917	PT
45.310	Grants to States	Natl. Found. on Arts & Humanities	1,363,284	
	TOTAL LIBRARIES, IDAHO COMMISSION FOR		\$1,807,260	
	MILITARY, DIVISION OF			
11.555	Public Safety Interoperable Communications Grant Program	Department of Commerce	\$460,576	
12.401	National Guard Military Operations and Maintenance Projects	Department of Defense	22,660,866	
20.703	Interagency Hazardous Materials Public Sector Training and Planning Grants	Department of Transportation	178,706	
97.029	Flood Mitigation Assistance	Department of Homeland Security	40,013	
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)	Department of Homeland Security	1,167,881	
97.039	Hazard Mitigation Grant	Department of Homeland Security	30,737	
97.042	Emergency Management Performance Grants	Department of Homeland Security	2,948,612	
97.046	Fire Management Assistance Grant	Department of Homeland Security	335,753	
97.047	Pre-Disaster Mitigation	Department of Homeland Security	904,878	
97.052	Emergency Operations Centers	Department of Homeland Security	773,258	
97.055	Interoperable Emergency Communications	Department of Homeland Security	317,863	
97.067	Homeland Security Grant Program	Department of Homeland Security	6,181,275	
97.078	Buffer Zone Protection Plan	Department of Homeland Security	518,528	
97.082	Earthquake Consortium	Department of Homeland Security	32,387	
	TOTAL MILITARY, DIVISION OF		\$36,551,333	
	PARKS AND RECREATION, DEPARTMENT OF			
15.916	Outdoor Recreation - Acquisition, Development, and Planning	Department of the Interior	\$122,851	
20.219	Recreational Trails Program	Department of Transportation	1,031,677	
66.818	Brownfields Assessment and Cleanup Cooperative Agreements	Environmental Protection Agency	16,038	
97.012	Boating Safety Financial Assistance	Department of Homeland Security	766,370	
	TOTAL PARKS AND RECREATION, DEPARTMENT OF		\$1,936,936	
	PHARMACY, BOARD OF			
16.754	Harold Rogers Prescription Drug Monitoring Program	Department of Justice	\$4,623	
	TOTAL PHARMACY, BOARD OF		\$4,623	

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BY STATE AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
	<b>POLICE, IDAHO STATE</b>			
10.999	Marijuana Eradication Forest Service Grants	Department of Agriculture	\$7,000	
16.017	Sexual Assault Services	Department of Justice	117,410	
16.550	State Justice Statistics Program for Statistical Analysis Centers	Department of Justice	22,638	
16.554	National Criminal History Improvement Program	Department of Justice	20,000	
16.579	Edward Byrne Memorial Formula Grant Program	Department of Justice	7,721	
16.580	Edward Byrne Memorial Law Enforcement Assistance Discretionary Grants	Department of Justice	208,602	
16.588	ARRA - Violence Against Women Formula Grants	Department of Justice	557,375	
16.588	Violence Against Women Formula Grants	Department of Justice	955,807	
16.593	Residential Substance Abuse Treatment for State Prisoners	Department of Justice	109,417	
16.609	Project Safe Neighborhoods	Department of Justice	62,163	
16.710	Public Safety Partnership and Community Policing Grants	Department of Justice	170,024	
16.738	Edward Byrne Memorial Justice Assistance Grant Program	Department of Justice	1,248,644	
16.741	Forensic DNA Capacity Enhancement Program	Department of Justice	189,870	
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	Department of Justice	78	
16.744	Anti-Gang Initiative	Department of Justice	779	
16.753	Congressionally Recommended Awards	Department of Justice	78,470	
16.803	ARRA - Edward Byrne Memorial Justice Assistance Grant Program	Department of Justice	1,949,540	
16.810	ARRA - Assistance to Rural Law Enforcement to Combat Crime and Drugs	Department of Justice	230,925	
16.999	Organized Crime and Drug Task Force	Department of Justice	24,377	
20.218	National Motor Carrier Safety	Department of Transportation	1,497,954	
21.999	Equitable Sharing for Law Enforcement Agencies	Department of the Treasury	168,003	
	<b>TOTAL POLICE, IDAHO STATE</b>		<u>\$7,626,797</u>	
	<b>PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF</b>			
84.002	Adult Education - Basic Grants to States	Department of Education	\$2,008,305	
84.048	Career and Technical Education - Basic Grants to States	Department of Education	6,202,431	
84.243	Tech-Prep Education	Department of Education	623,977	
97.043	State Fire Training Systems Grants	Department of Homeland Security	7,626	
	<b>TOTAL PROFESSIONAL-TECHNICAL EDUCATION, DIVISION OF</b>		<u>\$8,842,339</u>	
	<b>PUBLIC TELEVISION, IDAHO</b>			
10.861	Public Television Station Digital Transition Grant Program	Department of Agriculture	\$108,553	
11.550	Public Telecommunications Facilities Planning and Construction	Department of Commerce	267,921	
	<b>TOTAL PUBLIC TELEVISION, IDAHO</b>		<u>\$376,474</u>	
	<b>PUBLIC UTILITIES COMMISSION</b>			
20.700	Pipeline Safety	Department of Transportation	\$86,500	
81.122	ARRA - Electricity Delivery and Energy Reliability, Research, Development and Analysis	Department of Energy	165,104	
	<b>TOTAL PUBLIC UTILITIES COMMISSION</b>		<u>\$251,604</u>	
	<b>SECRETARY OF STATE</b>			
39.011	Election Reform	Election Assistance Commission	\$228,956	
90.401	Help America Vote Act Requirements Payments	Election Assistance Commission	649,384	
93.617	Voting Access for Individuals with Disabilities - Grants to States	Health and Human Services	101,711	
	<b>TOTAL SECRETARY OF STATE</b>		<u>\$980,051</u>	
	<b>SPECIES CONSERVATION, OFFICE OF</b>			
10.999	Roadless - Implementation of Roadless Rule	Department of Agriculture	\$6,257	
11.438	Pacific Coast Salmon Recovery - Pacific Salmon Treaty Program	Department of Commerce	2,593,952	
15.231	Fish, Wildlife, and Plant Conservation Resource Management	Department of the Interior	4,454	
15.608	Fish and Wildlife Management Assistance	Department of the Interior	40,341	
15.615	Cooperative Endangered Species Conservation Fund	Department of the Interior	3,263,719	
15.650	Wolf Livestock Loss Demonstration	Department of the Interior	16,959	
15.657	Endangered Species Conservation - Recovery Implementation Funds	Department of the Interior	1,335,507	
81.999	Idaho OSC Accord Planning and Development	Department of Energy	712,806	
81.999	Upper Salmon Screen Tributary Passage	Department of Energy	843,315	
81.999	Exp-Lemhi River Restoration Planning	Department of Energy	318,650	
81.999	Clearwater Focus Program	Department of Energy	80,002	
81.999	Exp-Pahsimeroi River Habitat	Department of Energy	2,447	
	<b>TOTAL SPECIES CONSERVATION, OFFICE OF</b>		<u>\$9,218,409</u>	
	<b>SUPERINTENDENT OF PUBLIC INSTRUCTION</b>			
10.553	School Breakfast Program	Department of Agriculture	\$15,906,587	
10.555	National School Lunch Program	Department of Agriculture	6,013,710	NC
10.555	National School Lunch Program	Department of Agriculture	48,476,963	

\*Type: NC = non-cash assistance; PT = pass-through assistance; R&D = Research and Development Cluster  
The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY STATE AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
10.556	Special Milk Program for Children	Department of Agriculture	\$174,378	
10.558	Child and Adult Care Food Program	Department of Agriculture	6,472,090	
10.559	Summer Food Service Program for Children	Department of Agriculture	4,263,517	
10.560	State Administrative Expenses for Child Nutrition	Department of Agriculture	741,068	
10.574	Team Nutrition Grants	Department of Agriculture	220,139	
10.579	ARRA - Child Nutrition Discretionary Grants Limited Availability	Department of Agriculture	2,716	
10.579	Child Nutrition Discretionary Grants Limited Availability	Department of Agriculture	239,281	
10.582	Fresh Fruit and Vegetable Program	Department of Agriculture	1,305,295	
15.130	Indian Education - Assistance to Schools	Department of the Interior	49,483	
43.AAA	Aerospace Education Services Program	Natl. Aeronautics and Space Admin.	261,723	
84.010	Title I Grants to Local Educational Agencies	Department of Education	46,893,378	
84.011	Migrant Education - State Grant Program	Department of Education	2,824,459	
84.013	Title I State Agency Program for Neglected & Delinquent Children and Youth	Department of Education	438,254	
84.027	Special Education - Grants to States	Department of Education	49,601,423	
84.144	Migrant Education - Coordination Program	Department of Education	34,334	
84.173	Special Education - Preschool Grants	Department of Education	1,887,178	
84.184	Safe and Drug-Free Schools and Communities - National Programs	Department of Education	82,755	
84.186	Safe and Drug-Free Schools and Communities - State Grants	Department of Education	587,627	
84.196	Education for Homeless Children and Youth	Department of Education	216,616	
84.213	Even Start - State Educational Agencies	Department of Education	116,723	
84.282	Charter Schools	Department of Education	2,565,060	
84.287	Twenty-First Century Community Learning Centers	Department of Education	5,321,252	
84.318	Education Technology State Grants	Department of Education	918,788	
84.323	Special Education - State Personnel Development	Department of Education	654,019	
84.330	Advanced Placement Program	Department of Education	61,376	
84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	Department of Education	1,276,108	
84.357	Reading First State Grants	Department of Education	777,559	
84.358	Rural Education	Department of Education	201,863	
84.365	English Language Acquisition Grants	Department of Education	1,831,773	
84.366	Mathematics and Science Partnerships	Department of Education	839,669	
84.367	Improving Teacher Quality State Grants	Department of Education	12,627,707	
84.368	Grants for Enhanced Assessment Instruments	Department of Education	513,090	
84.369	Grants for State Assessments and Related Activities	Department of Education	4,080,879	
84.371	Striving Readers	Department of Education	23,924	
84.372	Statewide Data Systems	Department of Education	3,423,118	
84.373	Special Education - Technical Assistance on State Data Collection	Department of Education	157,457	
84.377	School Improvement Grants	Department of Education	1,371,408	
84.386	ARRA - Education Technology State Grants	Department of Education	1,915,424	
84.387	ARRA - Education for Homeless Children and Youth	Department of Education	87,234	
84.388	ARRA - School Improvement Grants, Recovery Act	Department of Education	821,728	
84.389	ARRA - Title I Grants to Local Educational Agencies	Department of Education	15,301,850	
84.391	ARRA - Special Education Grants to States	Department of Education	29,712,864	
84.392	ARRA - Special Education - Preschool Grants	Department of Education	1,204,618	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Department of Education	7,406,300	
84.410	Education Job Funds	Department of Education	16,113,027	
93.938	Comprehensive Sch. Health Prog./Prevent Spread - HIV & Other Import. Health Prob.	Health and Human Services	627,536	
94.004	Learn and Serve America - School and Community Based Programs	Corp. for Natl. & Community Svc.	70,066	
94.013	Volunteers in Service to America	Corp. for Natl. & Community Svc.	46,626	
	<b>TOTAL SUPERINTENDENT OF PUBLIC INSTRUCTION</b>		<b>\$296,762,020</b>	
	<b>TAX COMMISSION, IDAHO</b>			
20.205	Highway Planning and Construction	Department of Transportation	\$69,095	
20.240	Fuel Tax Evasion - Intergovernmental Enforcement Effort	Department of Transportation	2,804	
	<b>TOTAL TAX COMMISSION, IDAHO</b>		<b>\$71,899</b>	
	<b>TRANSPORTATION DEPARTMENT, IDAHO</b>			
15.228	National Fire Plan - Wildland Urban Interface Community Fire Assistance	Department of the Interior	\$137,974	
20.106	Airport Improvement Program	Department of Transportation	8,066	
20.205	ARRA - Highway Planning and Construction	Department of Transportation	84,642,746	
20.205	Highway Planning and Construction	Department of Transportation	319,607,156	
20.205	Highway Planning and Construction	Department of Transportation	5,132,313	R&D
20.231	Performance and Registration Information Systems Management	Department of Transportation	28,626	
20.232	Commercial Driver's License Program Improvement Grant	Department of Transportation	118,554	
20.234	Safety Data Improvement Program	Department of Transportation	102,214	
20.237	Commercial Vehicle Information Systems and Networks	Department of Transportation	629,892	

\*Type: NC = non-cash assistance; PT = pass-through assistance; R&D = Research and Development Cluster  
The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

STATE OF IDAHO  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BY STATE AGENCY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CFDA	STATE AGENCY FEDERAL PROGRAM TITLE	FEDERAL DEPARTMENT	AMOUNT	TYPE*
20.500	Federal Transit - Capital Investment Grants	Department of Transportation	\$633,786	
20.509	ARRA - Formula Grants for Other Than Urbanized Areas	Department of Transportation	4,388,233	
20.509	Formula Grants for Other Than Urbanized Areas	Department of Transportation	5,796,968	
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities	Department of Transportation	506,364	
20.514	Public Transportation Research	Department of Transportation	2,750	
20.515	State Planning and Research	Department of Transportation	144,653	
20.516	Job Access - Reverse Commute	Department of Transportation	403,678	
20.521	New Freedom Program	Department of Transportation	58,473	
20.600	State and Community Highway Safety	Department of Transportation	1,711,976	
20.601	Alcohol Impaired Driving Countermeasures Incentive Grants I	Department of Transportation	863,333	
20.610	State Traffic Safety Information System Improvement Grants	Department of Transportation	500,430	
20.611	Incentive Grant Program to Prohibit Racial Profiling	Department of Transportation	277,473	
20.612	Incentive Grant Program to Increase Motorcyclist Safety	Department of Transportation	75,871	
84.397	ARRA - State Fiscal Stabilization Fund (SFSF) - Government Services	Department of Education	9,553,160	
97.089	Driver's License Security Grant Program	Department of Homeland Security	900,490	
	<b>TOTAL TRANSPORTATION DEPARTMENT, IDAHO</b>		<b>\$436,225,179</b>	
	<b>VETERANS SERVICES, DIVISION OF</b>			
64.014	Veterans State Domiciliary Care	Department of Veterans Affairs	\$411,223	
64.015	Veterans State Nursing Home Care	Department of Veterans Affairs	8,152,929	
64.101	Burial Expenses Allowances for Veterans	Department of Veterans Affairs	123,300	
	<b>TOTAL VETERANS SERVICES, DIVISION OF</b>		<b>\$8,687,452</b>	
	<b>VOCATIONAL REHABILITATION, DIVISION OF</b>			
84.126	Rehabilitation Services - Vocational Rehabilitation Grants to States	Department of Education	\$13,535,862	
84.169	Independent Living - State Grants	Department of Education	171,544	
84.187	Supported Employment Services for Individuals w/Significant Disabilities	Department of Education	212,152	
84.265	State Vocational Rehabilitation Unit In-Service Training	Department of Education	60,495	
84.390	ARRA - Vocational Rehabilitation Grants to State	Department of Education	1,488,706	
84.398	ARRA - Independent Living - State Grants	Department of Education	37,086	
	<b>TOTAL VOCATIONAL REHABILITATION, DIVISION OF</b>		<b>\$15,505,845</b>	
	<b>WATER RESOURCES, DEPARTMENT OF</b>			
10.902	Soil and Water Conservation	Department of Agriculture	(\$5,914)	
15.808	U.S. Geological Survey - Research and Data Collection	Department of the Interior	36,730	
15.999	Water Bank Program	Department of the Interior	87,043	
66.433	State Underground Water Source Protection	Environmental Protection Agency	125,162	
66.606	Surveys, Studies, Investigations and Special Purpose Grants	Environmental Protection Agency	21,745	
81.999	Tributary Water Conservation	Department of Energy	273,216	
97.023	Community Assistance Program - State Support Services Element	Department of Homeland Security	87,063	
97.041	National Dam Safety Program	Department of Homeland Security	68,677	
97.045	Cooperating Technical Partners	Department of Homeland Security	208,880	
97.070	Map Modernization Management Support	Department of Homeland Security	37,542	
	<b>TOTAL WATER RESOURCES, DEPARTMENT OF</b>		<b>\$940,144</b>	
	<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<b>\$3,443,461,820</b>	

\*Type: NC = non-cash assistance; PT = pass-through assistance; R&D = Research and Development Cluster  
The accompanying notes are an integral part of the Schedule of Expenditures of Federal Awards.

**STATE OF IDAHO  
NOTES TO SCHEDULES OF  
EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2011**

**NOTE 1 – PURPOSE OF THE SCHEDULES**

The Supplementary Schedules of Expenditures of Federal Awards (schedules) are in addition to the State's basic financial statements and are presented for purposes of additional analysis. The schedules are required by the Office of Management and Budget (OMB) *Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations*. OMB *Circular A-133* is issued pursuant to the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Reporting Entity**

The reporting entity includes all federal awards administered by those State departments and entities included in the State's *Comprehensive Annual Financial Report (CAFR)*, except for the colleges and universities, the Idaho Housing and Finance Association, and the Idaho Individual High Risk Reinsurance Pool. The Schedules of Expenditures of Federal Awards for the colleges and universities, the Idaho Housing and Finance Association, and the Idaho Individual High Risk Reinsurance Pool are audited by independent certified public accountants and published under separate cover.

**B. Basis of Accounting**

The schedules were prepared using the cash basis method of accounting. Expenditures are recognized when paid rather than when obligations are incurred. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**C. Basis of Presentation**

Expenditures of Federal Awards – In accordance with the OMB *Circular A-133*, federal awards are federal cost-reimbursement contracts or federal financial assistance (cash or non-cash) in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Awards may be received directly from a federal agency or indirectly from a pass-through entity. Contracts between the State and federal government for which the federal government procures tangible goods or services are not considered to be expenditures of federal awards.

Catalog of Federal Domestic Assistance – The *Catalog of Federal Domestic Assistance (CFDA)* is a list of federal programs available. The OMB *Circular A-133* requires the schedules to provide total federal awards expended by the State for each individual federal program by CFDA number. Federal programs that have not been assigned a specific CFDA number are assigned a miscellaneous CFDA number – the first two digits of a miscellaneous CFDA number identify the federal awarding agency followed by ".999."

Program Clusters – Closely related programs with different CFDA numbers that share common compliance requirements are considered "program clusters." The Schedule of Expenditures of Federal Awards by Federal Agency displays programs by program cluster as mandated by the OMB *Circular A-133 Compliance Supplement*. Programs not included within a designated cluster are presented under the title "NON-CLUSTERED PROGRAMS."

Valuation of Non-Cash Assistance – Non-cash awards are identified by "NC" on the schedules. Non-cash expenditures of federal awards were determined as follows:

1. CFDA 10.551, Supplemental Nutrition Assistance Program – reported at the dollar value of electronic benefit transfers authorized and used for food purchases by recipients.
2. CFDA 10.555, National School Lunch Program – reported at the fair market value of the food commodities distributed.



**STATE OF IDAHO  
NOTES TO SCHEDULES OF  
EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2011**

3. CFDA 10.569, Emergency Food Assistance Program – reported at the fair market value of the food commodities distributed.
4. CFDA 39.003, Donation of Federal Surplus Personal Property – reported at the fair market value of donated property as determined by General Services Administration.
5. CFDA 66.034, Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act – reported at the fair market value of the goods and services included as in-kind awards.
6. CFDA 66.419, Water Pollution Control State, Interstate, and Tribal Program Support - reported at the fair market value of the goods and services included as in-kind awards.
7. CFDA 81.999, Miscellaneous Bonneville Power Administration - reported at appraised value and purchase price of land.
8. CFDA 93.268, Immunization Grants – reported at the federally assigned value of the serum distributed.

State Funds Included with Federal Funds – State unemployment insurance funds are included with federal funds in the total expenditures for CFDA 17.225. The State portion was \$234,035,676, and the federal portion was \$290,170,070.

**NOTE 3 – LOANS OUTSTANDING**

The following loan programs are administered on behalf of federal awarding agencies:

- A. The Department of Environmental Quality administers loans for the Capitalization Grants for Clean Water State Revolving Funds (CFDA 66.458) and the Capitalization Grants for Drinking Water State Revolving Funds (CFDA 66.468). These revolving funds make loans to qualified water pollution control projects and public drinking water systems. The loans are funded by the federal capitalization grants, State match, and revolving funds. The loans are disbursed as borrowers incur costs and are repaid over 20 years starting within one year after project completion. Interest rates vary between 0% and 4.5%. Management considers all loans to be fully collectible, so there is no allowance for uncollectible accounts.

**STATE OF IDAHO  
NOTES TO SCHEDULES OF  
EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2011**

Loan programs at June 30, 2011:

**CAPITALIZATION GRANTS FOR CLEAN WATER - CFDA 66.458**

	Loan Authorized	Principal Repayments	Remaining Commitment	Receivable Balance
Completed Projects	\$155,240,636	\$36,511,368	\$0	\$118,729,268
Projects in Progress	158,980,331		80,583,900	78,396,431
Totals	<u>\$314,220,967</u>	<u>\$36,511,368</u>	<u>\$80,583,900</u>	<u>\$197,125,699</u>
Less: Amount Due Within 1 Year				<u>6,226,545</u>
Loans Receivable Net of Current Maturities				<u>\$190,899,154</u>

**CAPITALIZATION GRANTS FOR DRINKING WATER - CFDA 66.468**

	Loan Authorized	Principal Repayments	Remaining Commitment	Receivable Balance
Completed Projects	\$59,856,865	\$13,574,331	\$0	\$46,282,534
Projects in Progress	102,582,340	0	40,860,136	61,722,204
Totals	<u>\$162,439,205</u>	<u>\$13,574,331</u>	<u>\$40,860,136</u>	<u>\$108,004,738</u>
Less: Amount Due Within 1 Year				<u>2,826,017</u>
Loans Receivable Net of Current Maturities				<u>\$105,178,721</u>

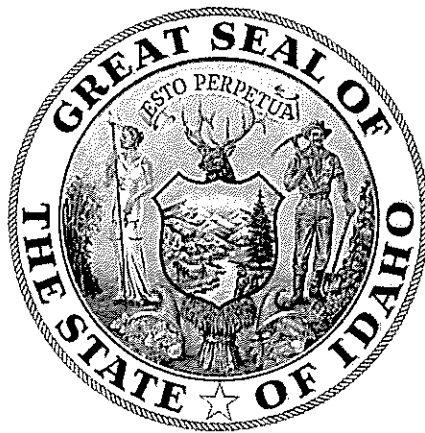
- B. The Office of Energy Resources administers loan and grant programs (CFDA 81.041) for the U.S. Department of Energy. The original source of these funds was petroleum price violations. The funds are used to finance various energy conservation projects. The outstanding principal and interest at June 30, 2011, was \$452,996. The Office of Energy Resources determined uncollectible accounts to be \$0.

**NOTE 4 – SNAP BENEFITS (CFDA 10.551)**

The reported expenditures for benefits under the Supplemental Nutrition Assistance Program (SNAP) (CFDA 10.551) are supported by both regularly appropriated funds and incremental funding made available under section 101 of the American Recovery and Reinvestment Act of 2009. The portion of total expenditures for SNAP benefits that is supported by Recovery Act funds varies according to fluctuations in the cost of the Thrifty Food Plan, and to changes in participating households' income, deductions, and assets. This condition prevents the USDA from obtaining the regular and Recovery Act components of SNAP benefits expenditures through normal program reporting processes. As an alternative, the USDA has computed a weighted average percentage to be applied to the national aggregate SNAP benefits provided to households in order to allocate an appropriate portion thereof to Recovery Act funds. This methodology generates valid results at the national aggregate level but not at the individual State level. Therefore, we cannot validly disaggregate the regular and Recovery Act components of our reported expenditures for SNAP benefits. At the national aggregate level, however, Recovery Act funds account for approximately 16.38 percent of the USDA's total expenditures for SNAP benefits in the federal fiscal year ended September 30, 2010.

**STATE OF IDAHO  
SINGLE AUDIT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**AUDITOR'S RESULTS**



**STATE OF IDAHO  
SINGLE AUDIT REPORT  
SUMMARY OF AUDITOR'S RESULTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

**BASIC FINANCIAL STATEMENTS**

1. The independent auditor's report on the basic financial statements expressed an unqualified opinion.
2. The audit of the basic financial statements disclosed significant deficiencies in internal control. Deficiencies considered to be material weaknesses were also reported.
3. The audit of the basic financial statements did not disclose any noncompliance that is material to the financial statements.

**FEDERAL AWARDS**

1. The audit of federal major programs in the Schedule of Expenditures of Federal Awards disclosed significant deficiencies in internal control. We consider items 11F-3, 11F-12, and 11F-20 to be material weaknesses.
2. The independent auditor's report on compliance with federal major programs expressed an unqualified opinion for all major programs except for the following programs which were qualified: Medicaid Cluster (93.720, 93.775, 93.777, and 93.778), Temporary Assistance for Needy Families Cluster (93.558 and 93.714), and Vocational Rehabilitation Cluster (84.126 and 84.390).
3. The *Single Audit Report* disclosed findings that are required to be reported in accordance with the criteria in Section 510a of OMB *Circular A-133*.
4. The federal programs identified as major programs are listed on the following page.
5. The dollar threshold used to distinguish between Type A and Type B programs was \$10,330,385.
6. For the fiscal year ended June 30, 2011, the State of Idaho did not meet OMB *Circular A-133's* requirements to qualify as a low-risk auditee.

**STATE OF IDAHO  
SINGLE AUDIT REPORT  
SCHEDULE OF FEDERAL MAJOR PROGRAMS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

<b>PROGRAM OR CLUSTER TITLE</b>	<b>CFDA</b>
<b>CHILD NUTRITION CLUSTER:</b>	
School Breakfast Program	10.553
National School Lunch Program	10.555
Special Milk Program for Children	10.556
Summer Food Service Program for Children	10.559
<b>WIA CLUSTER:</b>	
ARRA – WIA Adult Program	17.258
WIA Adult Program	17.258
ARRA – WIA Youth Activities	17.259
WIA Youth Activities	17.259
ARRA – WIA Dislocated Workers	17.260
WIA Dislocated Workers	17.260
WIA Dislocated Workers	17.278
<b>HIGHWAY PLANNING AND CONSTRUCTION CLUSTER:</b>	
ARRA – Highway Planning and Construction	20.205
Highway Planning and Construction	20.205
Recreational Trails Program	20.219
<b>TITLE I, PART A CLUSTER:</b>	
Title I Grants to Local Educational Agencies	84.010
ARRA - Title I Grants to Local Educational Agencies	84.389
<b>SPECIAL EDUCATION CLUSTER:</b>	
Special Education – Grants to States	84.027
Special Education – Preschool Grants	84.173
ARRA – Special Education Grants to States	84.391
ARRA – Special Education - Preschool Grants	84.392
<b>VOCATIONAL REHABILITATION CLUSTER:</b>	
Rehabilitation Services – Vocational Rehabilitation Grants to States	84.126
ARRA – Vocational Rehabilitation Grants to States	84.390
<b>STATE FISCAL STABILIZATION FUND CLUSTER:</b>	
ARRA – State Fiscal Stabilization Fund (SFSF) – Government Services	84.397
<b>TANF CLUSTER:</b>	
Temporary Assistance for Needy Families	93.558
ARRA – Emergency Contingency Fund for Temporary Assistance for Needy Families	93.714
<b>CCDF CLUSTER:</b>	
Child Care and Development Block Grant	93.575
Child Care Mandatory and Matching Funds of the Child Care and Develop. Fund	93.596
ARRA – Child Care and Development Block Grant	93.713

**MEDICAID CLUSTER:**

ARRA – Survey and Certification Ambulatory Surgical Center Healthcare (ASC-HAI)	93.720
State Medicaid Fraud Control Units	93.775
State Survey and Certification of Health Care Providers and Suppliers	93.777
ARRA – Medical Assistance Program	93.778
Medical Assistance Program	93.778

**NON-CLUSTERED PROGRAMS:**

Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557
ARRA - Capitalization Grants for Clean Water State Revolving Funds	66.458
Capitalization Grants for Clean Water State Revolving Funds	66.458
ARRA – Capitalization Grants for Drinking Water State Revolving Funds	66.468
Capitalization Grants for Drinking Water State Revolving Funds	66.468
ARRA – Superfund State, Political Sub. & Indian Tribe Site – Specific Cooperative Agmts.	66.802
Superfund State, Political Sub. & Indian Tribe Site – Specific Cooperative Agmts.	66.802
ARRA – Weatherization Assistance for Low-Income Persons	81.042
Weatherization Assistance for Low-Income Persons	81.042
Improving Teacher Quality State Grants	84.367
Education Job Funds	84.410
ARRA – Child Support Enforcement	93.563
Child Support Enforcement	93.563
Social Services Block Grant	93.667
Children’s Health Insurance Program	93.767

**STATE OF IDAHO  
SINGLE AUDIT REPORT  
SCHEDULE OF FEDERAL FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

<b>STATE AGENCY</b>	<b>FEDERAL DEPARTMENT</b>	<b>PAGE</b>
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BLIND AND VISUALLY IMPAIRED, COMMISSION FOR THE

**FINDING 11F-1**

CFDA Title: Vocational Rehabilitation  
Cluster

CFDA #: 84.126, 84.390

Federal Award #: H126A09017,  
H126A11017, H390A09017

Program Year:

October 1, 2008 to September 30, 2010

October 1, 2009 to September 30, 2011

October 1, 2010 to September 30, 2011

July 1, 2009 to September 30, 2010

Federal Agency: Department of Education  
Compliance Requirements:

C-Cash Management

F-Equipment and Real Property Mgmt.

G-Matching, Level of Effort & Earmarking

I-Procurement, Suspension & Debarment

L-Reporting

Questioned Costs: Not Determinable

Internal controls are inadequate to ensure compliance with federal requirements for the Rehabilitation Services grants. The Commission receives federal funding through the Rehabilitation Services – Vocational Rehabilitation Grants to States program to assist individuals with visual impairments obtain employment. During State fiscal year 2011, the Commission expended approximately \$2.8 million to provide rehabilitation assistance. Effectively designed and implemented internal controls are essential to ensure that funds are properly expended, monitored, and reported as required by the grant and federal regulations. The following errors were identified:

- Federal financial reports were not supported by the Commission's accounting records. The Annual Vocational Rehabilitation Program Cost Report (RSA-2) for the 2009 Basic Services grant did not include \$168,446 spent during State fiscal year 2011. In addition, the final Financial Status Report (SF-269) for the 2009 Basic Services grant included \$131,445 of adjustments that were not supported by the underlying accounting records. Program income collections reported on the Federal Financial Report (SF-425) for multiple quarters were not supported by the underlying accounting records.
- The Vocational Rehabilitation Grants to States program requires states to provide matching funds in order to receive federal assistance. The matching requirement for this program instructs the State to contribute 21.3 percent of each dollar spent. The grantor will supply the remaining 78.7 percent. The Maintenance of Effort requirement further identifies a minimum level of State funding that shall not be less than the amount spent by the State in a specific prior federal fiscal year. The accounting records provided to support the 2009 Basic Service grant lacked sufficient documentation necessary to verify compliance with the Matching and Maintenance of Effort requirements.
- The Commission requested federal funds of \$52,000 without first expending funds for allowable activities. The Rehabilitation Services grants are funded on a reimbursement basis; any request for federal funds should be directly tied to an expenditure made for an allowable activity or cost. The advanced federal funds were not fully expended for two months after receipt.
- Equipment purchased with federal funds was not properly accounted for or monitored. The Commission's inventory records indicated three pieces of equipment valued at approximately \$21,000, in total, were missing. No explanation or documentation was provided to account for the missing equipment. One of the three pieces of equipment was eventually located but the inventory records were not updated.

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- State bidding procedures were not followed for professional services contracts entered into by the Commission. Federal spending guidelines require costs to "be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit." One vendor was paid \$175,000 for temporary employment activities during State fiscal year 2011 without a contract, which exceeds the State requirements to follow bidding procedures.

The Commission has designed procedures to ensure compliance with federal requirements, including reviews by separate staff members. However, these procedures did not detect or prevent the errors described above.

**RECOMMENDATION**

We recommend that the Commission strengthen internal controls over the Rehabilitation Services grant spending to ensure grant costs are properly expended, monitored, and reported.

**AGENCY'S CORRECTIVE ACTION PLAN**

*Findings were provided to the agency, but responses were not available at the time of publication.*

**ENVIRONMENTAL QUALITY, DEPARTMENT OF**

**FINDING 11F-2**

CFDA Title: Capitalization Grants for  
Clean Water State Revolving Funds

CFDA #: 66.458

Federal Award #: CS-16000109,  
CS-16000110, 2W-96089501

Program Year:

September 1, 2009 to December 31, 2010

July 1, 2010 to June 30, 2012

October 1, 2008 to April 30, 2012

Federal Agency: Environmental  
Protection Agency

Compliance Requirements:

M-Subrecipient Monitoring

Questioned Costs: Not Determinable

Funding designations are not clearly communicated to ensure that monitoring efforts and other compliance requirements are met. The Environmental Protection Agency (EPA) allows the Department to designate funds to meet the federal compliance requirements, but the amount designated must be greater than or equal to the annual capitalization grants received from EPA. The Department has designated funds to meet the federal compliance requirements, but these designations are not clearly communicated to the Department fiscal staff. Federal regulations also require the Department to identify the funding source details and applicable compliance requirements to subrecipients. We noted the following issues:

- a) Program staff designated entire subrecipient projects for federal monitoring purposes; however, fiscal staff did not use the same designated projects for other federal requirements, such as the amounts reported on the Schedule of Expenditures of Federal Awards (SEFA). The designations included seven loans from the Clean Water Loan Fund totaling \$53.9 million in FY11, but \$11.2 million of these loans were also identified as State funds, and \$2.8 million was from the State Fiscal Stabilization Fund grant. Five loans totaling \$29 million were designated from the Drinking Water Loan Fund, but \$880,000 was also identified as State funds, and \$3.3 million was from the State Fiscal Stabilization Fund grant. As a result, funds monitored by program staff differed from funds reported on the SEFA.

CFDA Title: Capitalization Grants for  
Drinking Water State Revolving Funds

CFDA #: 66.468

Federal Award #:  
FS-98003010, 2F-96088401

Program Year:

July 1, 2010 to June 30, 2015

October 1, 2008 to April 30, 2012

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Federal Agency: Environmental  
Protection Agency  
Compliance Requirements:  
M-Subrecipient Monitoring  
Questioned Costs: Not Determinable

CFDA Title: State Fiscal Stabilization  
Fund – Government Services, Recovery  
Act

CFDA #: 84.397

Federal Award #: S397A090013

Program Year:

May 22, 2009 to September 30, 2010

Federal Agency: Department of Education

Compliance Requirements:

M-Subrecipient Monitoring

Questioned Costs: Not Determinable

- b) Subrecipients were not notified at the time of the award of the funding information and source for each loan. For example, the CFDA information, federal program titles, Single Audit requirements, and amount of ARRA funding included in the loans were not communicated to subrecipients.
- c) Subrecipients were also not notified at the time of the award of each federal funding source included in the loan amounts, such as the amount from the Clean Water State Revolving Fund, Drinking Water State Revolving Fund, ARRA, and State Fiscal Stabilization Fund. In addition, several loan documents stated that the entire amount was from federal sources even though State matching funds were likely included.
- d) Loan documents for the City of Greenleaf did not disclose that this designated project from the Clean Water Fund included federal funding and that the City must obtain a Single Audit for the period these funds are disbursed.

The designation of funding by program staff to meet federal monitoring requirements is not clearly communicated to fiscal staff and results in significant differences in reporting and for tracking other grant compliance requirements.

**RECOMMENDATION**

We recommend that the Department clearly communicate the designation of funding between program staff, fiscal staff, and subrecipients to ensure that monitoring efforts and financial reporting are accurate, complete, and consistent to ensure federal compliance.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department agrees with the finding and is working to improve the communication between the program staff, fiscal staff, and subrecipients. The Department also wishes to note that there appears to be some confusion in the interpretation of the federal reporting requirements and certain information provided to the Department of the United States Environmental Protection Agency. The Department will continue to work with EPA to secure clarification of the reporting requirements.*

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HEALTH AND WELFARE, IDAHO DEPARTMENT OF

**FINDING 11F-3**

CFDA Title: Medicaid Cluster

CFDA #: 93.720, 93.775, 93.777, 93.778

Federal Award #: 05-1105ID5MAP

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health  
and Human Services

Compliance Requirement:

A-Allowable Activities

Questioned Costs: None

Interim payments of \$117,701,246 were paid to providers in advance of an incurred allowable claim which is not in compliance with federal requirements. The Code of Federal Regulations (42 CFR 440) requires the Department of Health and Welfare to identify Medicaid provider payments by the type of services provided to determine allowability to the grant. Additionally, federal funding for this grant is reimbursement based. The State must pay for allowable costs prior to requesting reimbursement from the federal grantor. This information is reported quarterly to the federal grantor, by service type, on the CMS-64 Quarterly Statement of Expenditures for the Medical Assistance Program Report. The report should be supported by the accounting records identifying allowable expenditures. Advances are not allowable expenditures for this grant.

During the initial implementation of the new Medicaid Management Information System (MMIS), the Department experienced multiple system performance issues, mainly delays in Medicaid claims processing. The Department issued \$117,701,246 in interim payments as advances from July 2010 through February 2011 to stabilize providers' cash flow during the transition.

There was not a written agreement with the federal grantor that allowed the Department to make interim payments to providers. The interim payments were included in the expenditures reported for participation in the Federal Medical Assistance Percentage (FMAP), and federal funds were withdrawn for these payments. These interim payments were not supported by medically necessary claims from eligible clients, and as a result, the payments are considered to be advances rather than reimbursements and unallowable to the federal Medicaid grant.

**RECOMMENDATION**

We recommend that the Department report and request reimbursement from the federal grantor only for payments supported by allowable activities as identified in the grant agreement.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department did not anticipate needing to issue emergency payments to providers. Due to problems with the new Medicaid system, many providers did not get paid when the system went into production. This situation was compounded by the unrelated payment holdbacks due to the State's budgetary situation. Therefore, the State had to act quickly and decisively and issue interim payments to its Medicaid providers. The success of getting this stabilization money into the hands of providers prevented economic catastrophe for many of them.*

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*The Department agrees interim payments were included in the expenditures reported for participation in the Federal Medical Assistance Percentage (FMAP) and federal funds were withdrawn for these payments. However, as of June 30, 2011, the Federal grantor was reimbursed for all funds withdrawn for these payments.*

*It should be noted, that as of March 19, 2012, 98% of the interim payments have been recovered, with collections continuing.*

**FINDING 11F-4**

CFDA Title: Medicaid Cluster

CFDA #: 93.720, 93.775, 93.777, 93.778

Federal Award #: 05-1105ID5MAP

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health and Human Services

Compliance Requirement:

A-Allowable Activities

Questioned Costs: Not Determinable

Medicaid payments of \$39 million were not identified by specific service type as required. Federal regulations (42 CFR 440) require the Department to identify Medicaid provider payments by the type of services provided to determine allowability to the grant. Further, this information is reported quarterly to the federal grantor by service type.

The coding structure established within the MMIS utilizes task codes to identify types of service. More than \$157,257,129 paid during State fiscal year 2011 was coded as "miscellaneous unknown" services. A portion of that amount was related to the interim payments (see Finding 11F-3), and the Department intended to utilize this task code for those payments. Financial tables programmed in Flexi (MMIS) to assign task codes default certain claims to the miscellaneous unknown code if the claim lacks a Benefit ID. Generally, a Benefit ID might not be assigned if the claim prices differ for a similar claim based on provider characteristics and the claim is later adjusted.

The interim payments account for approximately \$118 million of total costs charged to the miscellaneous unknown task code, resulting in approximately \$39 million charged to this task code still unidentified. The correct codes were either not properly identified in MMIS prior to transmittal to the FISCAL accounting system or the coding used did not process correctly from MMIS to FISCAL resulting in a default to the miscellaneous unknown category.

**RECOMMENDATION**

We recommend that the Department analyze activity in the miscellaneous unknown task code to determine the correct coding. We further recommend that the Department work with Molina Medicaid Solutions to update the financial tables in MMIS to ensure the coding in MMIS reconciles to FISCAL.

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**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department agrees with this finding but asserts that, besides the interim payments discussed in Finding 11F-3; all claims that were recorded to the miscellaneous task code were allowable and were based on actual Medicaid claims submitted by providers.*

Claims - Some claims data sent from the vendor's Medicaid Management Information System (MMIS) to the State's accounting system were recorded as task code 2990 because the task codes needed to be updated in the MMIS system. The Department's MMIS Financial team monitors task code activity weekly to evaluate causes for the incorrect coding and makes appropriate system changes in order to prevent future errors. The majority of the claims were reassigned out of 2990 and into the correct task code. The vendor has documented a quarterly reconciliation for the adjustments. There remains \$1.8 million from claims paid in FY11 in task code 2990. These remaining claims will be adjusted by December 31, 2012.

Non Claims - Some Medicaid managed care payments were coded to task code 2990 due to data entry errors by the MMIS vendor. The Department's MMIS Financial team is monitoring manually generated payments for managed care to prevent future incorrect entries. All have been reassigned out of 2990 and into the correct task code. For each of these adjustments, the vendor has documented a quarterly reconciliation to prior periods.

**FINDING 11F-5**

CFDA Title: Medicaid Cluster

CFDA #: 93.720, 93.775, 93.777, 93.778

Federal Award: 05-11051D5MAP

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health and Human Services

Compliance Requirement: N-Special Tests

Questioned Costs: Not Determinable

Required data mining tools and reports are not available in the new MMIS system. The State Medicaid Manual requires computerized exception processing techniques to provide the ability to perform analysis and produce reports responsive to the changing needs of the title XIX managers, Peer Review Organizations (PRO), and State Medicaid fraud control units. Further, the Centers for Medicare and Medicaid Services (CMS) guidance directs the Medicaid Program Integrity Unit (MPIU) and the Medicaid Fraud Control Unit (MFCU) to generate "ranking and other data analysis reports." Neither unit could access these types of reports on a consistent basis, impacting their ability to discover fraudulent activity. Some reports that had been available in the old Medicaid system (AIM) are not available in the new system, and no new reports have replaced them.

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The new MMIS did not identify individual claims by claim type code or provider specialty until December 2011. This is a critical feature used to generate analytical reports for the MPIU and MFCU. Due to the late inclusion of claim type and provider specialty, the contractor, Thomson Reuter, was unable to include those fields in the original programming for the reporting tool utilized during fraud analysis.

Some of the needed fields were available in the Cognos report system by December 2011, but the Decision Analyst Reporting tool will require a rebuild and will not include this data in the analysis reports until sometime in late State fiscal year 2012.

RECOMMENDATION

We recommend that the Department provide required claims and provider information to MPIU and MFCU to assist in completing the analysis of claims. We further recommend that the Department identify a specific timeline to have the reports available, or develop ad-hoc reporting capabilities for the MPIU and MFCU to meet these guidelines.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department agrees with this finding. All Medicaid Fraud Control Unit (MFCU) reports are currently working and available to them. Reports for the Medicaid Program Integrity Unit (MPIU) will be available after the database is rebuilt which is set to be completed in May. In the interim, we have made Medicaid and vendor staff available to create ad-hoc reports.*

**FINDING 11F-6**

CFDA Title: Medicaid Cluster  
CFDA #: 93.720, 93.775, 93.777, 93.778  
Federal Award #: 05-1105ID5MAP  
Program Year:  
July 1, 2010 to June 30, 2011  
Federal Agency: Department of Health and Human Services  
Compliance Requirement:  
A-Allowable Activities  
Questioned Costs: Not Determinable

Medicare Buy-In program lacks sufficient data reports to verify Center for Medicare and Medicaid Services (CMS) monthly billings. The purpose of the Medicare Buy-In program is to assist eligible individuals also receiving Medicaid with Medicare costs, particularly Medicare Parts A and B premiums. CMS provides a billing file to the Department on the first business day of the month showing individual client's Buy-In status (accretions, changes, and deletions) and then sends the summary accounting statements on the 15<sup>th</sup> of each month showing the amount Idaho Medicaid owes for premium payments for eligible individuals.

Medicaid staff previously received data reports from the eligibility system EPICS, which has been replaced by the Idaho Benefits Eligibility System (IBES). The IDEA Data Warehouse generates data reports based on information from the new system. The reports use Medicaid data to verify the number of eligible participants and dollar amounts billed by CMS. Medicaid pays CMS roughly \$3.7 million per month (\$44.7 million per year and 2.5% of total Medicaid expenditures) on Medicare Buy-Ins.

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Data in the MMIS is not complete with current CMS Buy-In files and Buy-In reports, and the MMIS has not provided adequate reports. The contractor, Thomson Reuters, receives the raw CMS files from Molina and formats the data for reporting. However, there are unidentified discrepancies in the determination of individual eligibility in the Buy-In program.

Sufficient data reports to determine the accuracy of monthly billings from CMS for the Medicare premiums paid by Medicaid are not available to the Department. Verifying eligibility and the accuracy of these payments reduces the risk of improper payments. In addition, if an individual is eligible for the Buy-In program, the Department has a responsibility to assist the client.

Additionally, a test file for a month's worth of buy-ins was submitted to CMS in April 2010 and CMS processed it as a production file, creating a double billing for that month. The extra billing from the test file has carried forward to every month's bill as a previous balance owed by Medicaid. This has been disputed by the Department, and a resolution has not yet been determined.

RECOMMENDATION

We recommend that the Department require the systems contractors, Thomson Reuters and Molina Medicaid Solutions, to establish appropriate reporting from the MMIS to verify Medicare Buy-In eligibility.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department agrees with this finding. The Department is working with the vendor to update the tables used for the Medicaid Buy-In to develop the necessary reports. We anticipate this work will be completed by May 31, 2012. Once the databases are functioning as designed we will be able to recreate the Buy-In reports in the vendor's system.*

**FINDING 11F-7**

CFDA Title: Medicaid Cluster and Children's Health Insurance Program (CHIP)

CFDA #: 93.720, 93.767, 93.775, 93.777, 93.778

Federal Award #: 05-1105ID5MAP

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health and Human Services

Compliance Requirement:

A-Allowable Activities; L-Reporting, Questioned Costs: Not Determinable

Outpatient Services provided to both Medicaid and CHIP clients do not correctly process from the MMIS to the accounting system FISCAL, resulting in incorrect federal reporting. The Code of Federal Regulations (42 CFR 440) requires the Department of Health and Welfare to identify Medicaid provider payments by the category of service provided to determine allowability to the grant. Paid claims are also reported quarterly to the federal grantor by service type on the CMS-64 Quarterly Statement of Expenditures for the Medical Assistance Program Report. We traced claim payments from the MMIS to FISCAL to confirm that the claim was properly recorded and the category of service was correctly identified based on the provider, client eligibility, and services received. The largest segment of our testing, based on the reported amounts from the CMS-64 report, was the grant task code for Inpatient Services.



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The coding structure established within the MMIS identifies the category of service for claims submitted by providers. We identified several instances in which the coding in FISCAL was not supported by the underlying claims information. Twelve of seventeen CHIP claims (71%) and fifteen of eighteen Medicaid claims (83%) were identified as Inpatient Services in FISCAL, but had diagnostic coding that should have identified it as Outpatient Services, another reporting category. These errors resulted in the submission of an incorrect Federal CMS-64 report. The process between the two systems categorizes costs based on system edit checks. Certain codes routed the cost to the Inpatient Services category before completing all edit checks that would have correctly categorized the service.

**RECOMMENDATION**

**We recommend that the Department correct the coding structure and system controls for the claims and payment accounting to ensure proper reporting of federal expenditures.**

***AGENCY'S CORRECTIVE ACTION PLAN***

*The Department agrees with this finding. We had previously identified this issue as a system defect. The correct task code for hospital inpatient and outpatient claims was corrected for claims paid after March 6, 2012. A project has been implemented to review and correct claims for these task codes prior to March 6, 2012. We expect the project to be complete no later than June 30, 2013.*

**FINDING 11F-8**

CFDA Title: Medicaid Cluster and Children's Health Insurance Program (CHIP)

CFDA #: 93.720, 93.767, 93.775, 93.777, 93.778

Federal Award #: 05-1105ID5MAP

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health and Human Services

Compliance Requirement: E-Eligibility

Questioned Costs: Not Determinable

Client eligibility errors may go undetected and uncorrected due to insufficient internal controls, resulting in improper payments. Within the Department, the Division of Welfare documents client eligibility in the IBES. Eligibility aid codes are then transferred nightly to the MMIS, which is administered by the Division of Medicaid and is utilized to process claims and pay providers. The aid codes identify what benefits the client is eligible to receive and the applicable rates.

One Medicaid client transaction tested was identified with dual eligibility in the MMIS, while the IBES records indicated the client was not eligible for Medicaid benefits, effective December 31, 2010 through October 31, 2011. As part of the daily process transferring eligibility information from the IBES to the MMIS, a record was sent to terminate the aid code, effective December 31, 2010, and end the client's eligibility. This record did not process because the aid code was not recognized by the MMIS. An automatic alert was sent from the MMIS to the IBES, but no corrective action was taken. As a result, the client continued to have eligibility for benefits in the MMIS system. Claims were received and paid during this time period. The error was not corrected in the IBES until September 15, 2011.

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One CHIP client transaction tested was also identified with incorrect eligibility status in MMIS. Eligible CHIP clients have different levels of participation required, depending on household income. The client's eligibility status required a \$15 premium from October 1, 2010 through September 30, 2011; however, the correct eligibility aid code was not included in the MMIS, so the record transfer failed. An automatic alert was sent to the IBES, identifying the discrepancy, but no corrective action was taken. As a result, the MMIS identified the client as eligible for the lower income rate and premium payment for an entire year, billing the client \$10 per month for coverage instead of the required \$15 per month. The client was recertified October 1, 2011, and found eligible for the lower premium rate at that time, so the error was never corrected.

Medicaid claims processing is highly automated and reliant on system controls, reconciliations, and monitoring. The Department implemented a two-part reconciliation process to reduce the risk of eligibility errors. First, the daily reconciliation process generates automatic alerts that a record did not process correctly. Second, monthly reconciliation reports track uncorrected errors for resolution by Department staff. However, we were unable to determine why these records went uncorrected for over nine months, even when the daily reconciliation detected the error and sent the required alert. Additionally, because the system relies on coding to communicate the correct eligibility for a client and both errors occurred because the MMIS did not recognize the aid code utilized by the IBES, the potential risk increases that any client with these particular aid codes would error out and have an incorrect eligibility status in the MMIS. This could result in improper payments, or a client who should receive benefits but does not.

RECOMMENDATION

We recommend that the Department refine error notification and correction procedures for the eligibility data reconciliation to ensure that only eligible client claims are paid.

*AGENCY'S CORRECTIVE ACTION PLAN*

*The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.*

FINDING 11F-9

CFDA Title: Medicaid Cluster and Children's Health Insurance Program (CHIP)  
CFDA #: 93.720, 93.767, 93.775, 93.777, 93.778  
Federal Award #: 05-1105ID5MAP  
Program Year:  
July 1, 2010 to June 30, 2011

Monthly contract payments for the Idaho Smiles program are charged entirely to the Medicaid Cluster, when approximately 11% should be charged to the Children's Health Insurance Program (CHIP). The State pays a monthly fee, capitation payments, to Blue Cross of Idaho for all eligible Medicaid and CHIP clients to receive certain dental services through the Idaho Smiles program. Client eligibility is determined by the eligibility aid/rate code established for each client when they apply for Medicaid or CHIP benefits. The MMIS automatically initiates the payment through the FLEXI system, based on the dental rates established and the aid code for eligible clients.

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Federal Agency: Department of Health  
and Human Services

Compliance Requirement:

A-Allowable Activities; L-Reporting

Questioned Costs: \$424,278

We reviewed a payment to Blue Cross for \$3,766,098, for one month of Idaho Smiles contract services. According to the aid/rate codes, \$424,278 was attributable to CHIP clients. However, the entire payment was charged to the Medicaid grant.

Medicaid expenditures are overstated on the CMS-64 report by the portion of these Idaho Smiles capitation payments that should be charged to the CHIP grant. We estimate that approximately 11% of the total \$35 million to \$45 million spent on this program was inappropriately charged to the Medicaid grant, resulting in an overstatement of expenditures to the Medicaid grant of approximately \$3.5 million to \$5.0 million. The CHIP grant expenditures were understated by the same amount.

This payment is highly automated and reliant on edit checks within the MMIS to calculate both the amount of the payment and the allocation between the Medicaid grant and the CHIP grant. Adequate review of these monthly payments is imperative to ensure proper coding and reporting of these payments to the correct grant.

**RECOMMENDATION**

We recommend that the Department correct the coding in the accounting system to properly distribute these costs to the Medicaid grant and the CHIP grant based on eligible clients. We further recommend that the Department contact the federal grantor to resolve the reporting errors.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.*

**FINDING 11F-10**

CFDA Title: Temporary Assistance to  
Needy Families Cluster

CFDA #: 93.558, 93.714

Federal Award #: G1102IDTANF

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health  
and Human Services

Compliance Requirement:

B-Allowable Costs/Cost Principles

Questioned Costs: Not Determinable

Receipting Services Only (RSO) child support costs are overstated and over-allocated to the Temporary Assistance for Needy Families (TANF) grant. The Department established a transaction-based method of allocating system and case-working costs in response to a prior finding questioning the practice of charging RSO costs to the TANF grant (Finding 07F-8). A new Cost allocation Plan (CAP), effective December 3, 2010, was created to distribute RSO costs monthly between the Child Support Enforcement (CSE) and TANF grants. This allocation is a manual process calculating all RSO costs based on system generated transaction counts and then allocating them between the two grants based on a case-count for each to total cases. The use of case counts and transactions accrued by the system to those cases causes an overstatement of the total amount of costs assigned to RSO cases. This overstatement of costs, combined with the allocation based on case counts, results in a disproportionate amount of the total costs being charged to TANF.

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In 1998, all child support debts, including RSO cases, were required to be maintained by the State, but no State funding was authorized to service RSO cases. The child support (IV-D) cases are supported by a combination of federal and State funds. As a result, the Department policy is to actively work only those IV-D cases and not RSO cases. RSO cases are very rarely closed, retaining an "open" status in the system, even when the cases meet closure criteria because there is no funding or requirement to do so. The allocation process is further skewed because the allocation ratio uses a monthly report of all cases, calculating the ratio of IV-D to all cases, and RSO to all cases. The total case count includes those RSO cases that meet closure requirements. The costs allocated to CSE are based on actual wage-withholding transactions, while costs allocated to TANF are based on the overstated system case count.

All open RSO cases in the system automatically continue to accrue debt each month, which creates a "transaction" cost. A monthly debt accrual on RSO cases is inappropriate since no child support services have been requested by the clients, and the case is not actively worked to ensure a correct balance.

A review of the Department's operating manuals specific to the Child Support Enforcement grant revealed case closure requirements for all qualifying non-IV-D cases described in the Idaho Child Support Program Operating Manual. These non-IV-D cases are RSO cases as described above. Qualifying cases are further defined in chapter 10 of the Child Support Reference Guide section 10.4.3, and includes a case closure schedule that references the basic closure requirements for these RSO cases such as child emancipation, death of the non-custodial parent, etc. We found no evidence that the Department is following, or requiring their contractor to follow, these requirements.

Based on a sample of cases reviewed, we estimate that approximately 8,000 (28%) RSO cases during State fiscal year 2010 met closure criteria and should not have continued to accrue transaction costs or be included in the case counts for allocation purposes. Active RSO cases of approximately 20,000 should not be generating unnecessary transaction costs.

**RECOMMENDATION**

We recommend that the Department review transactions automatically accruing to the RSO cases to ensure that unnecessary costs are not incurred. We further recommend that the Department implement appropriate case closure procedures for these RSO cases.

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**AGENCY'S CORRECTIVE ACTION PLAN**

*We disagree with this finding. We believe that the allocation is being correctly applied between RSO and IV-D cases and has been the method since December 2010. The recommendation to exclude RSO cases that auditors found to have 'met closure criteria' cannot be executed by our department as our Deputy Attorney General has advised us that we do not have the legal authority to close these cases. Case closure is a IV-D function, and cases not part of the IV-D caseload are governed by state statute which does not provide closure authority. State Statutes mandate that Idaho Child Support Services shall keep a record of payments made under support related court orders.*

*Child Support has been working on a project to update their entire Operations Manual and is aware of several sections that are outdated and no longer apply. Chapter 10 of the Child Support Reference Guide (section 10.4.3) is one of the sections that has not been updated during the current project. That section was referencing the treatment of RSO cases when IV-D funding was used to work those cases.*

*Managers and supervisors have been communicating the expectations related to RSO cases in weekly targeting, management meetings, and staff meetings since 2009. The project to completely update the Child Support Operations Manual is estimated to be completed by the end of 2012.*

**FINDING 11F-11**

CFDA Title: Temporary Assistance to Needy Families Cluster

CFDA #: 93.558, 93.714

Federal Award #: G1102IDTANF

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health and Human Services

Compliance Requirement:

A-Allowable Activities

Questioned Costs: \$191,101

Child support costs of \$191,100 were charged to TANF without proper documentation to support allowability. In response to audit Finding 08F-4, the Department stated: "In reviewing the invoices paid between SFY 2005 and SFY 2008, the Department estimates \$191,100 was inappropriately charged to the IV-D program." An adjustment for that amount was made on 9/28/10, moving \$191,000 from the federal Child Support grant to the federal TANF grant. We requested supporting documentation of this adjustment when we identified it in emails between the Department and the federal grantor. This documentation consisted of an adjustment form and a spreadsheet relying on several calculated amounts that were not supported by original allowable costs. Without source documentation to support this adjustment, which would include identifying the original costs, how those costs are allowable to the program, and how the allocation percentages were determined; these costs are unallowable to the TANF grant.

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RECOMMENDATION

We recommend that the Department provide adequate supporting documentation for all costs charged to TANF and other federal grants.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department agrees with this finding. A copy of the adjustment and some supporting documentation was provided to the Federal grantor in September of 2010 and to our state auditors in the Spring of 2011. However, the documentation provided proved to be incomplete and difficult to follow. Therefore additional support has been provided and is currently under review by our Legislative auditors.*

**FINDING 11F-12**

CFDA Title: Temporary Assistance to  
Needy Families Cluster

CFDA #: 93.558, 93.714

Federal Award #: G1102IDTANF

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health  
and Human Services

Compliance Requirement:

B-Allowable Costs/Cost Principles

Questioned Costs: \$6,919,000

Child Welfare referral costs are charged entirely to TANF, resulting in an over-allocation of approximately \$6.9 million for State fiscal year 2011. The Department uses TANF funds for Family Preservation services provided under Child Welfare, which are intended to prevent out-of-home placements. This is an allowable use of TANF funds, as these activities meet one of the four TANF objectives: "Provide assistance to needy families so that children may be cared for in their own homes, or in the homes of relatives." These costs are allowable only to "needy" families, in accordance with the State's designated eligibility criteria.

Child Welfare personnel costs are collected through the Child Welfare random moment time study (RMTS) process, and calculated by percentage of "hits" to each activity code. The costs associated with each activity code are then allocated to several different receiving grants, depending on the allowability of the activities to each grant. The personnel costs for all Child Welfare referrals and risk assessments are charged 100% to the TANF Emergency Assistance grant.

These referral and risk assessment services benefit, and are required to administer, other child welfare and mental health programs as well, particularly Foster Care. Assigning and charging 100% of these costs to TANF does not comply with federal TANF and A-87 requirements. Using the proportion of Family Preservation Placement Prevention cases to total cases as a reasonable basis for allocation, we estimate that approximately 20% of the total child welfare cases are TANF Family Preservation cases. Accordingly, allocated risk assessment costs charged to TANF in fiscal year 2011 should be approximately \$1,729,750, while the remaining \$6,919,000 should be allocated among the other benefiting grants.

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The practice of assigning 100% of these referral and risk assessment costs to TANF also has the effect of overstating the Child Welfare training costs charged to TANF, which are allocated to TANF and other benefiting programs using the percentages of the RMTS "hits" as a basis for calculating the training costs.

RECOMMENDATION

We recommend that the Department utilize an appropriate basis for allocating risk assessment costs to all benefiting grants, to comply with all A-87 and federal TANF requirements.

AGENCY'S CORRECTIVE ACTION PLAN

*The Department disagrees with the finding. Under the January 4, 1994, state plan, the Department is allowed to charge 100% of this Random Moment Time Study (RMTS) activity to TANF. The primary purpose of the activity "Risk Assessment and Safety Management" is to assess risk and assure safety for children and families. This activity stands alone as a state and federal requirement and is not the eligibility process for Child Welfare programs such as Foster Care. We will finish collecting the necessary changes to the TANF State plan and will provide it to Legislative Audit within 45 days.*

FINDING 11F-13

CFDA Title: Temporary Assistance to  
Needy Families Cluster

CFDA #: 93.558, 93.714

Federal Award #: G1102IDTANF

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health  
and Human Services

Compliance Requirement:

A-Allowable Activities;

B-Allowable Costs/Cost Principles

Questioned Costs: \$818,339

Substance abuse costs are charged to the federal TANF grant and do not meet federal requirements for allowability. Costs totaling \$329,638 for State fiscal year 2011 for Substance Abuse Liaisons were charged to the TANF grant and reported as maintenance of effort (MOE) spending for Non-Recurrent Short-Term Benefits in the required federal reports. These are payments for Road to Recovery "liaisons" subcontracted through Business Psychology Associates to provide assessments and referrals to treatment for family members of children in foster care or at risk of placement. These services cannot be linked to eligible families, as no client or service detail is provided on the monthly invoices. Additionally, parents of children in foster care are not eligible for services under TANF; only families with children living in the home are considered eligible families under federal TANF regulations.

Costs totaling \$119,883 for Substance Abuse treatment were adjusted from the Substance Abuse block grant to the TANF grant. These costs were also reported as federal expenditures for Non-Recurrent Short-Term Benefits in the required federal reports. Supporting documentation for these costs included the statement that Family and Community Services (FACS) developed a procedure to have Navigators screen clients for eligibility. A list of client names, noted as "eligible" or "not eligible" was provided. However, the clients listed as eligible were a blend of parents of at-risk children still living at home (Family Preservation cases) and parents with children in out-of-home

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placements (Foster Care cases). Again, only families with children living in the home, Family Preservation cases, are eligible for services under current TANF law. These treatment services might be allowable under very specific requirements, utilizing TANF Prior Law to parents of children in Foster Care, but the Department has not clearly documented determination of eligibility.

We included these costs in the fiscal year 2010 audit Finding 10F-4. The Department recently agreed to remove all of these costs, including fiscal years 2010, 2011, and 2012 to-date costs, from TANF and charge them to the Social Services Block Grant (SSBG). We calculate total questioned costs for fiscal year 2010 and 2011 as \$818,339.

**RECOMMENDATION**

We recommend that the Department develop procedures to ensure that eligibility is properly determined and documented for all clients receiving Substance Abuse referrals and/or treatment under TANF, and to ensure these costs are charged to the appropriate grant and reported correctly.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department disagrees with this finding. The Department maintains that the services of the Substance Abuse Liaisons qualify for TANF under the prior law but recognize documentation of services may have been inadequate. The program will provide documentation to Legislative Audit within 30 days. If Legislative Audit and the Federal grantor do not believe the documentation is sufficient to justify charging the TANF grant, the costs will be charged to the Social Services Block Grant.*

**FINDING 11F-14**

CFDA Title: Temporary Assistance to Needy Families Cluster

CFDA #: 93.558, 93.714

Federal Award #: G1102IDTANF

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health and Human Services

Compliance Requirement: L-Reporting

Questioned Costs: None

Federal American Recovery and Reinvestment Act (ARRA) funds of \$328,794 were incorrectly reported on the TANF ACF-196 Financial Report. The Department applied for and received \$1,129,683 in TANF ARRA Emergency Funds during fiscal year 2010 for Subsidized Employment and Non-Recurrent Short-Term Benefits. All Federal ARRA expenditures are required to be tracked and reported separately from other TANF expenditures.

ARRA funds of \$227,928 were expended for Subsidized Employment during State fiscal year 2010 and reported correctly. ARRA funds of \$901,754 were reported as expended for Subsidized Employment in State fiscal year 2011; however, underlying accounting records only support \$572,961 as Subsidized Employment. The remaining \$328,794 was expended for Non-Recurrent Short-Term Benefits through the navigation program, but misreported with the Subsidized Employment on the TANF ACF-196 Financial Report. The Department has a standardized routing and review process for submission of federal reports; however, this error was not detected or corrected.



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RECOMMENDATION

We recommend that the Department strengthen internal controls over the grant reporting process to ensure that TANF costs are properly reported in accordance with grant requirements.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department agrees with the finding. Non-Recurrent Short-Term Benefits were incorrectly reported as Subsidized Employment. A revised TANF ACF-196 report will be filed.*

**FINDING 11F-15**

CFDA Title: Child Support Enforcement

CFDA #: 93.563

Federal Award #: G1104ID4004

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health and Human Services

Compliance Requirement:

B-Allowable Costs/Cost Principles

Questioned Costs: Not Determinable

Access Idaho invoices contain insufficient documentation to determine allowability to the Child Support Enforcement grant. The OMB A-133 Compliance Supplement requires that computations be checked for accuracy. During our testing of allowable costs we reviewed an invoice for Access Idaho that had no evidence of procedures performed to verify the calculated charges met contracted terms.

Invoices from this vendor are sent to the Department, where a two-part review is completed. However, the only verification completed relates to the allocation of the bill between two federal grants. No verification of the actual charges is completed. The invoice does not contain enough information to determine whether the charges are correct, as it only provides a description with two entries repeated throughout, a date, a quantity, and a total billable amount. There is no information on the cost per unit that would be necessary to compare the cost to the contract to ensure the Department was billed the correct rate and that it was calculated correctly.

Lines marked "Merchant Fee Bill-back" represent the total charges accrued on a percentage of the transaction amount. This percentage varies and is determined by contract, with a sliding scale based on total monthly amounts paid by clients using the service for all State of Idaho agencies. This fee can range from a high of 3% for transactions up to \$250,000, to 2.1% for monthly transactions totaling \$2,000,000 or more. The lack of detail in the invoice limits the ability of those reviewing to determine whether the correct fee was charged. This could result in an overstatement or understatement of costs charged to both the CSE (\$78,500 per year) and TANF (\$31,062 per year) grants.

RECOMMENDATION

We recommend that the Department require detailed invoices from Access Idaho to ensure the accuracy and allowability of those charges.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department agrees with this finding. We have reached out to AccessIdaho.Gov to request a more detailed invoice that provides more detailed data that allows us to clearly validate charges and allocations.*

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**FINDING 11F-16**

CFDA Title: Women, Infant, and  
Children's Program

CFDA #: 10.557

Federal Award #: 2011W100647

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Agriculture

Compliance Requirement:

J-Program Income

Questioned Costs: None

WIC Infant Formula Rebate invoicing errors resulted in overbilling of \$22,075. The Department supplies vouchers to clients for infant formula as part of the Women, Infant, and Children's Program (WIC). Monthly invoices are created for infant formula rebates based on system generated reports identifying the number of cans of infant formula purchased by the type of formula. A rebate amount is calculated within the invoice from this information and billed to the vendor.

We discovered errors in the preparation of two monthly invoices for vendors in this program. These errors were also discovered by the Department, two to three months after they occurred. One error for \$9,949.95 was credited to the vendor in the month following the overcharge. However, the error recorded on the invoice from March 2011 was not corrected. This resulted in an overpayment of \$12,125.69, which has not been addressed, either as a credit or refund.

Additionally, review and approval procedures for the invoicing process were not adequately documented to ensure that invoices were reviewed for correct calculations before sending them to the vendors.

**RECOMMENDATION**

We recommend that the Department strengthen procedures used to complete the invoice process to reduce the risk of errors occurring and going uncorrected.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.*

**FINDING 11F-17**

CFDA Title: Social Services Block Grant

CFDA #: 93.667

Federal Award #: G1001IDOSR

Program Year:

July 1, 2010 to June 30, 2011

Federal Agency: Department of Health  
and Human Services

Compliance Requirement:

A-Allowable Activities

Questioned Costs: Not Determinable

System edit controls intended to ensure that only allowable costs are charged to the Social Services Block grant (SSBG) were overridden without proper authority or monitoring. The Department utilizes a complex accounting system to record expenditures to the correct grant and grant year. A critical control is the use of PCA coding within the accounting system to ensure proper recording of transactions. When a grant award is received, PCA codes are established in the system and "mapped" to the appropriate grant. This allows a person recording the transaction to select a PCA that properly identifies the type of expenditure and the appropriate grant.

During our review, we noted that some costs related to the Promoting Safe and Stable Families grant (CFDA 93.556) were coded properly to the PCA originally mapped to this grant, but instead the expenditures were recorded to the SSBG. Upon inquiry it was determined that the PCA had been re-mapped to the SSBG when the original grant had been completely expended and the regional personnel continued to charge expenditures to that PCA. Additionally, this adjustment was not monitored, and costs related to the Promoting Safe and Stable Families Grant continued to be charged to SSBG into the new fiscal

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year. While these expenditures may be allowable to both grants, circumventing the system of internal controls increases the risk of improper payments.

We also noted that program personnel at the regions are not adequately trained in the allowability requirements for specific grants. When employees approve and select accounting coding for expenditures without a clear understanding of the program requirements or the grant award amount, the risk of expending federal funds for unallowable costs increases significantly. The risk of error is further increased when the Bureau of Financial Services overrides the coding structure rather than address the issue of an overspent grant.

**RECOMMENDATION**

**We recommend that the Department improve procedures and internal controls over grant accounting to ensure that system edit checks are not overridden and provide adequate training to personnel.**

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.*

**FINDING 11F-18**

CFDA Title: Child Care Cluster  
CFDA #: 93.575, 93.596, 93.713  
Federal Award #: G1001IDSOSR  
Program Year:  
July 1, 2010 to June 30, 2011  
Federal Agency: Department of Health and Human Services  
Compliance Requirement: L-Reporting  
Questioned Costs: \$111,633

Reporting errors of \$111,633 occurred in the federal financial report for the Child Care Cluster. The ACF-696 Child Care and Development Fund Financial Report is due quarterly from all states receiving Child Care Cluster grants. All costs reported should be properly supported and documented by amounts in both supporting schedules and the accounting system (FISCAL).

A supporting schedule included \$57,593 more than what was reported on the ACF-696 report. The reported amount agreed to the FISCAL accounting system, but no documentation was provided to indicate that the Department had researched the discrepancy with the supporting schedule and resolved it. Additionally, another supporting schedule included \$54,040 in expenditures that was not reported. These costs were identified as "EPICS maintenance" but there was no reference listed indicating the corresponding line on the federal report, unlike the other costs on the schedule.

The Department has a standard routing process for review and approval of these reports, which is intended to identify and resolve discrepancies. There was some evidence that these issues had been questioned, but no evidence of a final resolution or that the report had been properly and completely reviewed and approved.

**RECOMMENDATION**

**We recommend that the Department investigate and correct these reporting errors, including a revised submission of the report to the federal grantor if necessary. We further recommend that the Department strengthen internal controls over the reporting**

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process to ensure that required federal reports are properly supported and reviewed for accuracy.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.*

**FINDING 11F-19**

CFDA Title: Child Care Cluster  
CFDA #: 93.575, 93.596, 93.713  
Federal Award #: G1001IDSOSR  
Program Year:  
July 1, 2010 to June 30, 2011  
Federal Agency: Department of Health and Human Services  
Compliance Requirement: G-Matching  
Questioned Costs: \$159,113

Administrative costs for the Child Care Cluster exceeded allowable limits by \$159,113, as reported on the June 30, 2011 ACF-696 Financial Report. The Child Care Cluster allows administrative costs up to 5% of the grant award. Accordingly, the allowed amount for the 2010 grant was \$903,219. However, on the June 30, 2011 quarterly ACF-696 Financial Report the Department included \$1,062,332 of administrative costs. This was \$159,113 in excess of the allowed amount. The final quarterly report for September 30, 2011 included \$1,387,011 of administrative costs, which is \$483,792 in excess of the allowed amount. We found no evidence that the administrative costs were being monitored to ensure compliance with this requirement, or that an amended report was submitted reducing the amount expended to the allowable level.

**RECOMMENDATION**

We recommend that the Department improve monitoring of the grant requirements to ensure compliance with the limits for allowable administrative costs. We further recommend the Department contact the federal grantor to resolve the questioned costs.

**AGENCY'S CORRECTIVE ACTION PLAN**

*The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.*

**VOCATIONAL REHABILITATION, DIVISION OF**

**FEDERAL FINDING 11F-20**

CFDA Title: Vocational Rehabilitation Cluster  
CFDA #: 84.126, 84.390  
Federal Award #: H126A110016, H126A100016F, H390A090016  
Program Year:  
October 1, 2010 to September 30, 2011  
October 1, 2009 to September 30, 2010  
February 17, 2009 to September 30, 2010  
Federal Agency: Department of Education  
Compliance Requirement: L-Reporting  
Questioned Costs: Not Determinable

Federal financial reports are not supported by the Division's accounting records. The Division is required to submit financial reports to the federal grantor, which must be supported by its accounting records. As we reported in the 2010 statewide Single Audit as finding 10F-15, a complex series of spreadsheets are used by the Division to develop the federal financial reports; however, no current staff member fully understands how the data is compiled.

Our analysis of the financial reports for the fiscal years 2009 and 2010 federal Rehabilitation Services grants submitted at June 30, 2010, previously showed that each report contained unsupported expenditures of \$3.4 million. This amount was a "plug figure" necessary to force the federal reports and the total expenditures recorded in the Division's accounting records to agree.

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The Federal Financial Report (SF-425) submitted for the quarter ended March 31, 2011, for the fiscal year 2011 federal Rehabilitation Services grants, also included unsupported expenditures of \$3.4 million. A separate Annual Vocational Rehabilitation Program Cost Report (RSA-2) also submitted for the quarter ended March 31, 2011, included unsupported amounts and an understatement of carryover funds totaling \$2.9 million.

Reconciliations between the accounting records and the SEFA, by individual grant, could not be performed because sufficient documentation was unavailable.

**RECOMMENDATION**

We recommend that the Division document the process and spreadsheets used to develop the federal reports. We also recommend that the Division reconcile this data to the amounts recorded in STARS to ensure that amounts reported and included in the statewide Single Audit are supported and accurate.

**AGENCY'S CORRECTIVE ACTION PLAN**

*Findings were provided to the agency, but responses were not available at the time of publication.*

**FEDERAL FINDING 11F-21**

CFDA Title: Vocational Rehabilitation  
Cluster

CFDA #: 84.126, 84.390

Federal Award #: H126A110016,  
H126A100016F, H390A090016

Program Year:

October 1, 2010 to September 30, 2011

October 1, 2009 to September 30, 2010

February 17, 2009 to September 30, 2010

Federal Agency: Department of Education  
Compliance Requirement:

B-Allowable Costs/Cost Principles

Questioned Costs: \$678,844

Contract payments made to Community Rehabilitation Programs (CRP) include \$678,844 of unallowable costs. The Division enters into contracts with CRPs for services and activities required to be provided to clients as part of the purpose of these grants. However, the specific expenditures identified in the contracts did not directly correlate to the scope of the Rehabilitation Services grants. Some of the expenditure activities were not specifically included in the Comprehensive Statewide Needs Assessment, while others had no direct connection to serving individuals with disabilities, as required by the grants. The Division paid contract costs totaling \$678,844 to CRPs during State fiscal year 2011. The Division received notification on August 4, 2011 from the Rehabilitation Services Administration that the contract costs were unallowable.

**RECOMMENDATION**

We recommend that the Division ensure grant funds are expended only for allowable costs. We further recommend that the Division work with the Rehabilitation Services Administration to resolve the questioned costs.

**AGENCY'S CORRECTIVE ACTION PLAN**

*Findings were provided to the agency, but responses were not available at the time of publication.*

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**FEDERAL FINDING 11F-22**

CFDA Title: Vocational Rehabilitation cluster

CFDA #: 84.126, 84.390

Federal Award #: H126A110016, H126A100016F, H390A090016

Program Year:

October 1, 2010 to September 30, 2011

October 1, 2009 to September 30, 2010

February 17, 2009 to September 30, 2010

Federal Agency: Department of Education

Compliance Requirement: G- Matching, Level of Effort, Earmarking

Questioned Costs: Not Determinable

Matching and Maintenance of Effort requirements are not met for the Rehabilitation Services grants. The Vocational Rehabilitation grants to States program requires states to provide matching funds in order to receive federal assistance. The matching requirement for this program instructs the State to contribute 21.3% of each dollar spent. The grantor will supply the remaining 78.7%. Federal regulations also require that funds used for matching purposes be allowable for the grants. The Maintenance of Effort requirement identifies a minimum level of State funding that shall not be less than the amount spent by the State in a specific prior federal fiscal year.

The Division's federal fiscal year 2010, which includes State fiscal year 2011, Maintenance of Effort requirement for the Rehabilitation Services grants was \$3.7 million. A reduction in State funding limited the Division's contribution to \$3.6 million. Failure to meet this Maintenance of Effort requirement results in the potential reduction of \$141,000 of future federal grant awards.

Expenditures included to satisfy the matching requirement were not supported by the underlying accounting records. As a result, we were unable to validate compliance with the matching requirements. State expenditures identified as matching transactions were lump sum transfers from other programs that did not always meet the allowability requirements of the Rehabilitation Services grants.

**RECOMMENDATION**

We recommend that the Division properly support all transactions used for matching the Rehabilitation Services grants. We further recommend that the Division ensure all matching funds are allowable to the grants. We also recommend that the Division properly monitor Maintenance of Effort requirements and work with the Legislature and other State entities to ensure compliance.

**AGENCY'S CORRECTIVE ACTION PLAN**

*Findings were provided to the agency, but responses were not available at the time of publication.*

**FEDERAL FINDING 11F-23**

CFDA Title: Vocational Rehabilitation Cluster

CFDA #: 84.126, 84.390

Federal Award #: H126A110016, H126A100016F, H390A090016

Program Year:

October 1, 2010 to September 30, 2011

October 1, 2009 to September 30, 2010

February 17, 2009 to September 30, 2010

Federal Agency: Department of Education

Compliance Requirement: I-Procurement and Suspension and Debarment

Questioned Costs: Not Determinable

State procurement policies are not followed for ARRA expenditures as required by federal regulations. OMB *Circular A-87* requires costs to "be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit." State purchasing rules applicable during State fiscal year 2011 required the Division of Purchasing to participate in purchases completed by the Division which exceeded \$5,000.

The Division did not follow State procurement requirements for 25% of transactions tested. Testing showed that three transactions totaling \$15,200, out of a \$233,233 sample (6%), were procurements using ARRA funding without the Division of Purchasing participation. However, one transaction selected for \$5,200 was a line item on an invoice for heavy machinery simulation equipment. Our review

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showed that all of the equipment included on the invoice, totaling \$167,710, was procured outside of the Division of Purchasing purview.

**RECOMMENDATION**

We recommend that the Division ensure all procurements comply with the State Division of Purchasing policies.

*AGENCY'S CORRECTIVE ACTION PLAN*

*Findings were provided to the agency, but responses were not available at the time of publication.*

**FEDERAL FINDING 11F-24**

CFDA Title: Vocational Rehabilitation  
Cluster

CFDA #: 84.126, 84.390

Federal Award #: H126A110016,  
H126A100016F, H390A090016

Program Year:

October 1, 2010 to September 30, 2011

October 1, 2009 to September 30, 2010

February 17, 2009 to September 30, 2010

Federal Agency: Department of Education  
Compliance Requirement:

B-Allowable Costs Cost Principles

Questioned Costs: Not Determinable

The indirect cost rate used for reimbursement of certain federal costs is not properly supported. Federal regulations (OMB Circular A-87) allow the Division to charge administrative and other shared costs to federal grant programs based on an "indirect rate" approved by the federal grantor. The indirect rate must be applied proportionately and consistently to all programs, whether federally funded or not, and procedures must exist to ensure that costs are not charged as a direct cost and also recovered through the indirect rate calculation.

The indirect rate for State fiscal year 2011 was established at 11% of all direct costs. The Division only included costs related to the Rehabilitation Services grants to calculate the 11% indirect cost rate instead of including all expenditures of the Division as required. More than \$4.6 million of expenditures were excluded from the base and caused the indirect rate to be overstated by at least 25%.

**RECOMMENDATION**

We recommend that the Division calculate the indirect cost rate in accordance with federal regulations (OMB Circular A-87) and include all expenditures in the base.

*AGENCY'S CORRECTIVE ACTION PLAN*

*Findings were provided to the agency, but responses were not available at the time of publication.*

**FEDERAL FINDING 11F-25**

CFDA Title: Vocational Rehabilitation  
Cluster

CFDA #: 84.126, 84.390

Federal Award #: H126A110016,  
H126A100016F, H390A090016

Program Year:

October 1, 2010 to September 30, 2011

October 1, 2009 to September 30, 2010

February 17, 2009 to September 30, 2010

Federal Agency: Department of Education  
Compliance Requirement: E-Eligibility

Questioned Costs: Not Determinable

Internal controls are inadequate to ensure compliance with eligibility requirements for the Rehabilitation Services grants. Effectively designed and implemented internal controls are essential to ensure that funds are properly expended as required by the grants and federal regulations. The *Code of Federal Regulations* (CFR) (Title 34, Chapter 3, Part 361) includes specific requirements regarding eligibility for the Rehabilitation Services grants. The following errors were identified during testing:

- Client Individual Employment plans were not signed prior to becoming effective as required by CFR.
- Client eligibility extensions were not documented as required by CFR.
- Clients were made presumptively eligible for services without complying with CFR requirements.

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- Client ineligibility information was not documented as required by CFR.
- Client eligibility information was not documented as required by the Division's Field Service manual.
- Clients were deemed eligible for rehabilitation segments that were not supported by case documentation.

The Division reviews a limited number of closed cases for eligibility purposes, but most open cases are not subject to formal review. These procedures are not effective to ensure compliance with federal requirements for determining eligibility, and no other procedures exist to prevent or detect determination errors.

**RECOMMENDATION**

We recommend that the Division implement internal controls to ensure compliance with eligibility requirements for the Rehabilitation Services grants.

***AGENCY'S CORRECTIVE ACTION PLAN***

*Findings were provided to the agency, but responses were not available at the time of publication.*



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HEALTH AND WELFARE, IDAHO DEPARTMENT OF

FINDING 11S-1

The processes for recovering interim Medicaid payments are not properly established, documented, or monitored.

A new Medicaid Management Information System (MMIS) was implemented by the Department through a contract with Molina Medicaid Solutions (Molina). Due to significant implementation issues, Medicaid providers were unable to receive prompt payment for services rendered for several months. As a result, the Department established an "interim" payment process for providers to receive payments based on estimates. Interim payments totaling approximately \$118 million were issued during fiscal year 2011.

Providers that received interim payments were sent repayment agreement forms to establish the method for the Department to recover these payments. Four methods were available for providers to repay interim payments, and Molina was assigned the responsibility to track each provider's option and process the repayments. Our tests showed that 95% of providers (38 of 40) did not return the completed repayment agreements as requested. Although some providers called to select a repayment method, formal documents were not available as required by Federal Regulation (42 CFR Sec. 433.316) to support the selection or authorize recoupments for those providers that did not respond.

Follow-up letters were sent by the Department to providers who did not repay in accordance with the agreement. Most letters stated that providers must repay the entire interim balance in four monthly installments or that 100% of current claims submitted would be recouped to offset the balance until paid in full. However, most recoupments continued at 25% of current claims submitted, with no additional documentation provided to support the decision.

The Department delegated to Molina the authority to issue the interim payments, establish accounts receivable for the eventual recovery of these payments, and process the recoupments and collections from providers. No evidence exists to document the procedures or controls established by the Department to ensure that all interim payments were properly issued, established as a receivable, properly recouped or collected, and any remaining balance identified for additional pursuit. At a minimum, this situation raises significant concerns that interim payments were not properly accounted for, identified, or recovered.

RECOMMENDATION

We recommend that the Department improve internal controls over the handling and processing of non-routine Medicaid transactions and properly monitor all activities of the contractor.

AGENCY'S CORRECTIVE  
ACTION PLAN

*The Department did not anticipate needing to issue emergency payments to providers. Due to problems with the new Medicaid system, many providers did not get paid when the system went into production. This situation was compounded by the unrelated payment holdbacks due to the State's budgetary situation. Therefore, the Department had to act quickly and decisively and*

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*issue interim payments to its Medicaid providers. The success of getting this stabilization money into the hands of providers prevented economic catastrophe for many of them.*

*The Department agrees there were insufficiently documented processes established to monitor the issuance and recovery of emergency interim payments during the time of the crisis. Building on this experience, DHW is formalizing procedures and controls to address non-routine Medicaid transactions during emergency situations. It should be noted, that as of February 10, 2012, 98% of the interim payments have been recovered, with collections continuing.*

**FINDING 11S-2**

Accounts receivable records were not consistently established for interim payments to Medicaid providers.

Interim payments were issued to Medicaid providers between July 2010 and February 2011, and the process for establishing accounts receivable to recover these amounts was delegated by the Department to Molina. Most of the receivable invoices, establishing the account receivable, were issued in either December 2010 or February 2011. A few other individual payments were established in the accounts receivable system on an as needed basis. However, no consistent process was established to ensure that a receivable was established for each interim payment.

Our evaluation identified some providers that had one account established which included multiple interim payments, while others had several separate accounts established for each payment. In addition, the receivable amount established did not always agree with the amount of the interim payments; some accounts were closed and reestablished at reduced amounts, with no evidence to support the changes; and two interim payments made through the rotary fund were not established as receivables.

We also noted that collections posted to the receivable records did not always agree with the cash deposit data provided by Molina. Some differences were due to overpayments by providers, but other amounts could not be readily identified using the existing records.

**RECOMMENDATION**

**We recommend that the Department establish adequate procedures to ensure receivable balances are established correctly, changes are documented, and the accounts are monitored by the Department.**

**AGENCY'S CORRECTIVE  
ACTION PLAN**

*The Department did not anticipate needing to issue \$118 million dollars in emergency payments to providers. Due to problems with the new Medicaid system, many providers did not get paid. Especially on the heels of unrelated payment holdbacks, the Department had to act quickly and decisively. The success of getting stabilization money promptly into the hands of*

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*providers prevented economic catastrophe for many of them.*

*The Department agrees there were insufficiently documented process and controls to consistently establish accounts receivable and post payments during the time of the crisis. Building on this experience, DHW is formalizing procedures and controls to address these types of situations should they occur in the future. As of February 10, 2012, 98% of the interim payments have been recovered, with collections continuing.*

**FINDING 11S-3**

The receipt suspense account is not properly reconciled and had an improper balance of \$22 million at year-end.

The Department utilizes a complicated process of interdependent automated systems to transact financial activity. Most transactions are initiated in various sub-systems, which are then electronically interfaced to the Department's "FISCAL" accounting system, where the financial transactions and accounting information are created.

Coding structure in the FISCAL system is developed to provide the data necessary to manage, track, and report specific activities. For receipt transactions, most amounts are recorded to the suspense account and subsequently adjusted to the appropriate program or activity, once additional information or processing is completed in other sub-systems. The reconciliation of the receipt suspense account is essential to ensure that all amounts are adjusted promptly and accurately.

During fiscal year 2011, no reconciliation of the receipt suspense account for the activities relating to Medicaid interim payments was completed, which contributed to the improper negative balance of over \$22 million at year-end. Although the situation involving the Medicaid interim payments was discovered by Department staff in July 2011 and subsequently corrected, other activities within the receipt suspense account are not reconciled promptly or at all.

**RECOMMENDATION**

We recommend that the Department regularly reconcile the receipt suspense account to the various sub-systems to ensure that activity is recorded promptly and accurately.

**AGENCY'S CORRECTIVE  
ACTION PLAN**

The Department agrees that an abnormal debit balance of \$22 million existed at year end in the DHW deposit suspense account. The Department installed a new Medicaid claims processing system and soon experienced problems getting payments to providers. Finding an urgent solution to pay providers was essential to avoid financially harming providers, especially after a holdback that also delayed payments. Fixing this problem forced the Department and contractor to delay fixing other less critical inconsistencies between the contractor's and the Department's accounting systems.

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As noted above, the Department identified the problem and took steps to correct the imbalance in the suspense account resulting from interim payments, but continues to correct the remaining difference. Current receipt reconciliation activities are showing much greater consistency in the required cash receipting procedures. Manual correcting adjustments have been made and continue to be made regularly to make up for the deficiency in FISCAL transaction processing. Through these measures, the current debit balance has been reduced and corrections continue to be made.

**FINDING 11S-4**

Rotary fund checks paid to Medicaid providers lack appropriate controls and documentation.

The Department uses a rotary fund to issue checks promptly for various travel and miscellaneous costs. On occasion, the rotary is used for other payments because the warrant issue time frame is not prompt enough to resolve the emergency or other conditions.

During fiscal year 2011, the Department issued \$3.7 million of rotary checks to Medicaid providers due to delays in implementing the new Medicaid payment system (MMIS). However, we noted that appropriate controls and documentation were not developed for each rotary check issued to Medicaid providers as follows:

- a) Sixteen checks were not properly coded to isolate these from other standard transactions.
- b) Two checks did not result in an accounts receivable record, as required for similar payments to providers.
- c) Three checks lacked any supporting documentation other than the request form approved by the project manager.
- d) Two checks were not supported by a provider request form or other documentation identifying the request.
- e) Checks were issued to an individual or organization inconsistently for the same provider. For example, one provider received five rotary payments, three of which were issued in the organization's name, and two were issued in an individual's name.

In addition, evidence was not available to ensure that the Medicaid provider was eligible for the payment, that the amount was supported by outstanding claims, or that the situation required the use of the rotary fund to make a prompt payment.

**RECOMMENDATION**

We recommend that the Department establish procedures to properly authorize, document, and track all checks issued through the rotary fund.

**AGENCY'S CORRECTIVE  
ACTION PLAN**

*The Department did not anticipate needing to issue emergency payments to providers. Due to problems with the new Medicaid system, many providers did not get paid. Especially on the heels of unrelated payment holdbacks, the Department had to act quickly and decisively.*

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*The success of getting stabilization money promptly into the hands of providers prevented economic catastrophe for many of them.*

*The Department has established procedures to properly authorize, document, and track all checks issued through the rotary fund. The Department agrees that these existing standards were not followed when issuing some of the emergency interim payments through the rotary fund, particularly relating to documentation. The Department has updated its policies to make sure that future emergency use of rotary will require adequate documentation.*

*Again, the Department did not plan for or anticipate needing to issue a large volume of emergency payments to providers and was forced to act quickly and effectively to get stabilization money into the hands of providers.*

**FINDING 11S-5**

Revenues and expenses were overstated by \$181 million because reimbursements were not reported correctly, in accordance with accounting standards.

The Department collects a significant amount of reimbursements for costs incurred, primarily in the Medicaid program. This includes amounts for drug rebates, insurance recoveries, cost audit settlements, and overpayments from providers. These collections are recorded in the Department's FISCAL accounting system as revenues, and properly recognized for federal grant accounting and reporting purposes. However, financial accounting standards require that reimbursements be recognized as reductions of expenses to avoid overstating financial activities on the *Statewide Comprehensive Annual Financial Report (CAFR)* issued by the State Controller's Office.

During fiscal year 2011, the net amount of reimbursements recorded as revenue by the Department was \$181 million, nearly double the amount collected during the prior year. Most of the increase resulted from interim payments and recoveries in the Medicaid program. These reimbursements were recorded as revenues and effectively overstated the financial activities of the Department on the *CAFR*. In addition, the value of accounts receivable reported at year-end was also overstated, because these reimbursements were improperly included in the calculation. No process is currently in place to properly exclude reimbursements from the revenue, expenses, and calculation of accounts receivable. As a result of the audit, the Department submitted adjustments to the State Controller's Office to correct the values reported as revenues, expenses, and accounts receivable.

**RECOMMENDATION**

We recommend that the Department develop a process to provide year-end data to the State Controller's Office that identifies reimbursements to be excluded from revenues and expenses and to also exclude these amounts from the calculation of accounts receivable at year-end.

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AGENCY'S CORRECTIVE  
ACTION PLAN

*The Department agrees that cash repayments received from Medicaid providers were incorrectly recognized as revenue when they should have been recorded as an expenditure refund.*

*The Department made adjustments as the result of this year's audit process and will develop a year-end process to assure that refunds are recorded correctly in the future.*

LABOR, DEPARTMENT OF

FINDING 11S-6

Federal unemployment insurance (UI) benefit activity was reported incorrectly.

Government Accounting Standards (GASB #33) require federal UI benefit revenues and expenditures to be included in financial reporting.

Federal UI benefit revenues were not receipted into the accounting system and expenditures related to the federal UI benefits were netted against cash draws in the accounting system. This process resulted in federal UI benefit revenues and expenditures not being reported in the statewide CAFR.

In fiscal year 2011, the federal UI benefit revenues and expenditures were both originally under-reported by \$257.2 million; however, adjustments were made to correct the reported activity.

**We recommend that the Department properly report federal UI benefit revenue and expenditure activity.**

RECOMMENDATION

AGENCY'S CORRECTIVE  
ACTION PLAN

*The Department has consistently reported federal Unemployment Insurance (UI) benefit revenues and expenditures as instructed by the State Controller's Office (SCO) and Legislative Services Office (LSO) in the 1990's. The amount of federal UI benefit revenues and expenditures in the 1990's was very small and not material. Of course, that is no longer the case since the Department has paid over \$800 million in federal benefits since 2007.*

*Several months ago, when we were informed that federal UI benefit revenues and expenditures were not being reported correctly, we met with staff from the State Controller's Office and Legislative Services Office. We expressed concern that the Department had reported these revenues and expenditures as instructed, and now the interpretation of how to report them had changed. We requested a GAAP citation of the reporting requirement for these transactions. SCO staff contacted the Governmental Accounting Standards Board (GASB) and requested guidance on reporting federal UI benefit revenues and expenditures. GASB was reluctant to provide*

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written guidance and indicated there is no consistency nationwide on how states report federal UI benefit revenues and expenditures. SCO and LSO stated that their interpretation of the GASB requirement was that all federal UI benefit revenues and expenditures be reported.

The Department will report these revenues and expenditures as most recently instructed by LSO and SCO. For the current state fiscal year, the transactions will continue to be recorded as they have been since the 1990's, but an adjustment on Miscellaneous Closing Package Question 8 will be made to reflect the full amount of the federal UI benefit revenues and expenditures for the year. Beginning July 1, 2012 (FY 2013) all federal UI benefit revenue and expenditure transactions will be recorded in STARS. It is possible that such federal benefits will have been discontinued by that time.



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**HEALTH AND WELFARE, IDAHO DEPARTMENT OF**

**PRIOR FINDING 08F-5**

Temporary Assistance to Needy Families  
93.558  
Department of Health and Human Services  
Questioned Costs: \$5.3 million

Administrative costs of \$5.3 million are incorrectly allocated to the TANF Grant. The Department uses several methods for allocating administrative costs to federal grants, one of which is a "random moment time study" (RMTS). This method requires the Department to gather data about the activities that employees are performing at random moments during a period, which is then converted to a percentage calculation to allocate shared costs to each program or grant. The process for gathering data involves email requests to hundreds of employees each month asking that they identify their activity at the time of contact using various codes separated into 12 categories and providing narrative explanations as necessary.

Data from the Social Services RMTS for fiscal year 2008 indicates that all responses to the activity codes within the "Other Service Related" category were charged to the TANF Family Preservation Grant. This category contains a total of six miscellaneous activities, two of which are activities that are not allowable under TANF regulations, and the other four are either no longer performed or the Department was unable to confirm the nature of the underlying activities. As a result, we question the allowability of nearly \$5.3 million in administrative costs charged to the TANF Grant through the allocation of the Social Services Cost Pool, due to the lack of appropriate evidence that the costs benefit the grant as required by federal regulations.

An external consultant identified some weaknesses within the RMTS allocation process while reviewing various grant costs. As a result, the Department began reviewing the RMTS and found that existing errors were likely caused by a lack of staff training and supervisory emphasis on the importance of accurate responses, an out-of-date training manual, inadequate monitoring and quality assurance, and a lack of assigned responsibility for managing the allocation process and results.

The Department also noted that more than half of the responses identified in the "Other Service Related" category were incorrect and should have indicated a IV-E (foster care, adoption assistance, etc) grant activity code. Many of the responses did not include the required narrative needed to determine the appropriate allocating grant.

The Department has indicated its intention to submit a new allocation plan, create a quality assurance process, and require more comprehensive staff and supervisory training.

**RECOMMENDATION**

We recommended that the Department amend the RMTS allocation processes to properly identify and document allowable costs to the TANF Grant. We also recommended that the Department contact the federal grantor to resolve the identified questioned cost amounts.

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Current Status: CLOSED

Repeated with additional information; 10F-6

**PRIOR FINDING 08F-6**

Temporary Assistance to Needy Families  
93.558  
Department of Health and Human Services  
Questioned Costs: \$1.3 million

More than \$1.3 million of training costs charged to TANF are not supported by an appropriate allocation methodology. The fiscal year 2007 audit report included a finding that a disproportionate amount of child welfare training costs required for foster care/adoption assistance caseworkers was charged to the TANF Emergency Assistance (EA) Grant without an allocation basis to properly support the amounts. This approach does not comply with federal cost principles (OMB *Circular A-87*), and the use of TANF funds for the recruitment and training of foster and pre-adoptive parents conflicts with the objective of the EA program. These costs are unallowable to the TANF program.

The Department agreed that the use of TANF EA funds for foster and pre-adoptive parent training was inappropriate and stated that TANF funds would no longer be used for this particular purpose. The Department also stated that the methodology for allocating the remaining costs associated with training would be evaluated to determine an appropriate method of allocation.

No changes were made to the allocation methodology until October 2008, allowing \$1.3 million in training costs, including foster and pre-adoptive training, to continue to be inappropriately charged to the TANF Grant in fiscal year 2008.

In late 2008, the Department implemented a new allocation methodology by utilizing the Social Services RMTS as the basis for allocating these training costs. New invoice forms have been created using the RMTS rates for the corresponding month, and October 2008 was the first month the new forms and allocation rates were used. We agree that this may be an appropriate method of allocating the training costs, but problems with the RMTS (discussed in Finding 08F-5) may continue to charge unallowable costs to the TANF Grant.

**RECOMMENDATION**

We recommended that the Department reassign RMTS cost codes to appropriate grants to comply with all OMB *Circular A-87* cost requirements, and proceed with efforts to update the RMTS manual, train staff, implement a monitoring process, and submit a revised cost allocation plan for federal approval. We further recommended that the Department contact the federal grantor to resolve all questioned cost amounts.

Current Status: CLOSED

Repeated with additional information; 10F-7

**PRIOR FINDING 09F-5**

Temporary Assistance to Needy Families  
93.558  
Department of Health and Human Services  
Questioned Costs: \$5.2 Million

Costs of \$5.2 million claimed as "Maintenance of Effort" for the TANF Grant are not qualifying expenditures. The purposes of the TANF program identified in federal regulations (Section 401 of the Social Security Act) are:

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- Provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives.
- End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage.
- Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies.
- Encourage the formation and maintenance of two-parent families.

Federal regulations (45CFR 263.2) related to maintenance of effort (MOE) for the TANF Grant require the State to expend State funds of at least 75% of the amount spent by the State during fiscal year 1994. For fiscal year 2009, the State, through the Department of Health and Welfare, is required to provide approximately \$13 million of State-funded MOE costs. Expenditures intended to meet (MOE) requirements must be identified by TANF purpose and must be for "qualified state expenditures" related to that purpose. For purpose 1 and 2 those expenditures must be entirely incurred to help eligible families that have at least one child and meet the income and resource standards established in the TANF State Plan.

Qualified activities and services for TANF purposes 1 and 2 include:

- Cash assistance.
- Child care assistance.
- Educational activities to increase self-sufficiency, job training, and work services.
- Non-medical treatment services for alcohol and drug abuse, provided that the State has not commingled its MOE funds with federal TANF funds to pay for this service.

Qualified activities and services for TANF Purposes 3 and 4 include:

- Activities designed to prevent and reduce the number of out-of-wedlock births, and certain qualified activities (listed in TANF-ACF-PI-2008-10) to promote healthy marriage and responsible fatherhood. These activities may be provided to individuals and families, regardless of financial need or family composition.

We analyzed the TANF costs claimed as MOE and determined that \$5.2 million of the total \$13 million were not qualifying expenditures as defined by federal regulations. Most of these costs were allocated administrative and program services that cannot be directly identified to an eligible family as required. This amount also includes \$722,000 of unallowable costs identified in Finding 09F-6.

We also noted errors in the MOE reports submitted to the federal grantor. The Department identified 1,615 families as receiving assistance from MOE State funds in fiscal year 2009, but none of these families were served with MOE spending. These families all received

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cash assistance payments that were paid from federal funds, and these costs do not qualify as MOE. Additionally, some TANF costs are incorrectly classified, which raises the possibility that MOE spending on administrative costs exceeded the 15% limit for these types of costs as established by federal regulations.

**RECOMMENDATION**

We recommended that the Department claim only qualified expenditures as MOE in accordance with the TANF Grant program and federal regulations. We also recommended that the Department contact the federal grantor to resolve the amount of unqualified State MOE expenditures.

**Current Status: CLOSED**

Repeated with additional information; 10F-4

**PRIOR FINDING 09F-6**

Temporary Assistance to Needy Families  
93.558  
Department of Health and Human Services  
Questioned Costs: \$1.6 Million

Indirect costs of \$1.6 million are improperly allocated to the TANF Grant. The Department of Health and Welfare uses a random moment time study (RMTS) to allocate indirect costs to federal grant programs. Most of the indirect costs charged to the TANF program are allocated using the Social Services cost pool allocated by the RMTS. This allocation method requires employees to identify the task they are working on from a list of choices at the moment they receive the contact form. Each task is then linked to one or more programs that benefit from the employee's activity.

We noted in prior audits that the link between the tasks and benefiting programs was inappropriate and as a result, the TANF Grant was charged an excessive share of indirect costs. The main concern is the task identified as "other," which is a miscellaneous category for activities that may be difficult to link to a specific grant or service. These miscellaneous activities within the "other" task benefit all programs equally, but are charged entirely to the TANF Grant. The Department completed a review of the allocation process in 2008 and determined that the "other" task was improperly selected by employees more than 50% of the time. However, efforts to correct the task usage and allocation process have not been completed, resulting in the improper allocation of \$1.6 million to the TANF Grant during fiscal year 2009.

The Department concurred with the fiscal year 2008 audit finding, and has submitted a revised cost allocation plan to the federal grantor for approval. The resolution of the fiscal year 2008 audit finding has not yet been finalized by the federal grantor, and the Department will implement the new plan once the prior issue is resolved.

**RECOMMENDATION**

We recommended that the Department continue efforts to resolve the cost allocation issues and comply with OMB *Circular A-87* cost requirements. We further recommended that the Department contact the federal grantor to resolve all questioned cost amounts.

**Current Status: CLOSED**

Repeated with additional information; 10F-6

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**PRIOR FINDING 09F-7**

Temporary Assistance to Needy Families  
93.558  
Department of Health and Human Services  
Questioned Costs: \$700,000

Training costs of \$700,000 charged to TANF are not supported by an appropriate allocation methodology. The fiscal year 2008 audit report included an issue that training costs for foster care and adoption assistance caseworkers were charged to the TANF Emergency Assistance (EA) Grant without an allocation basis to properly support the amounts as required by federal regulations (OMB *Circular A-87*). The Department agreed that the use of TANF funds for these training costs was inappropriate and that efforts would be taken to resolve this issue and evaluate all training costs to determine an appropriate method of allocation.

A new method was implemented in January of 2009 using RMTS as the basis for the allocation. However, errors from the prior process used during the first half of the fiscal year, together with errors in the RMTS process (as discussed in Finding 09F-6) resulted in more than \$700,000 of inappropriate allocations of training costs to the TANF Grant in fiscal year 2009. In addition, no adjustments have been made for the training costs questioned in the fiscal year 2008 audit report.

**RECOMMENDATION**

We recommended that the Department continue the efforts to resolve the cost allocation issues related to training costs charged to the TANF Grant and comply with OMB *Circular A-87*. We further recommended that the Department contact the federal grantor to resolve all questioned cost amounts.

**Current Status: CLOSED**

Repeated with additional information; 10F-7

**FINDING 10F-1**

Medicaid Cluster  
93.775, 93.777, 93.778  
Department of Health and Human Services  
\$2.5 Million

Medicaid payments of \$2.5 million were not identified by specific service type as required. Federal regulations (42 CFR 440) require the Department to identify Medicaid provider payments by the type of services provided to determine allowability to the grant. Further, this information is then reported quarterly to the federal grantor by service type.

A coding structure established within the Medicaid Management Information System (MMIS) is used to identify types of service. However, more than \$2.5 million paid during fiscal year 2010 was identified as "miscellaneous unknown" services, which is not an acceptable service type allowable for reimbursement from this grant.

Payments identified as "miscellaneous unknown" are unallowable costs to the grant and must either be removed from the grant costs claimed or properly identified to an allowable service type. Efforts are currently underway to identify payments to an allowable service type, but the total has increased significantly since the end of fiscal year 2010 and additional efforts are needed.

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Compounding this issue is the effect of the changing federal grant match rate (FMAP) which will require additional efforts to properly identify claims by date of service to ensure that the correct federal match rate is claimed.

**RECOMMENDATION**

We recommend that the Department increase its efforts to properly identify and report Medicaid payments by specific service types as required and to ensure that the correct federal match rate is claimed.

**Current Status: CLOSED**

**Repeated with additional information; 11F-4**

More than \$157,250,000 paid during fiscal year 2011 was coded in the accounting system to the miscellaneous task code 2990. Seventy-five percent of this was related to the interim payments, and the Department intended to utilize this task code for those payments. The remaining charges of approximately \$39 million to this task code are unidentified. The correct codes were either not properly identified in the accounting system utilized for Medicaid payments, MMIS, prior to interfacing to FISCAL, or the coding used did not properly interface from MMIS to FISCAL resulting in a default to this miscellaneous task code.

Department staff indicated that financial tables programmed in Flexi (MMIS) to assign the task codes would default the claim to the miscellaneous code 2990 for claims that lacked a Benefit ID. An example of an appropriate default coding situation occurs when the claim price differs for similar claims based on details about the provider, and are subsequently adjusted. During the claims adjudication process, these claims do not get assigned a Benefit ID and therefore, the financial tables default the claims without a Benefit ID to the miscellaneous code. Regular review and reconciliation of this task code to ensure claims payments are charged to the proper service task code would ensure compliance with federal requirements.

We recommend that the Department work with Molina to update the financial tables in MMIS and ensure that the interface with FISCAL reconciles to the correct coding from MMIS.

**PRIOR FINDING 10F-2**

Medicaid Cluster  
93.775, 93.777, 93.778  
Department of Health and Human Services  
Questioned Costs: Not Determinable

Existing data imported to the new Medicaid payment system was not tested or evaluated. A new Medicaid Management Information System (MMIS) was installed in June 2010, and data from the old system was imported into the new system. However, this data was not tested or evaluated for accuracy, which created errors, irregularities, and other inconsistencies in the new system. We compared data relating to provider claims receivable balances and payments and identified the following items:

- a) Of the 74,762 receivable transactions imported into MMIS, only 4,394 were identified by provider number or name.
- b) Provider debt balances were not reduced for payments made through the court system.



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- c) Of the 317 claims receivable reviewed, 79 of these claims had no activity since January 2009, and another 33 had no activity since January 2010, but were imported into the new system without verifying the status of the receivable balance.
- d) Two accounts receivable balances were imported into the new system with incorrect balances of \$200,000 and \$50,000 and assigned to incorrect providers.
- e) Two providers had balances imported into the new system that were cumulatively more than \$50,000 higher than the balances in the old system.

Based on conversations with Medicaid Division staff, no process was in place to verify or test the old data before it was imported into the new system.

**RECOMMENDATION**

We recommended that the Department validate the data imported from the old Medicaid payment system to the new system to identify and correct errors and other irregularities.

**Current Status: CLOSED**

The Department would like to clarify that it has processes in place to verify and test data imported into the new MMIS system. However, there was no evidence available at the time of the original report to support that the transactions included in this specific report had been subject to such procedures. The Department and the Molina financial team continue to review the converted accounts receivable balances. The Department also continues to refine processes and correct errors as discovered.

We reviewed Department documents on operational readiness testing. We also reviewed corrective actions documentation and tracking used to monitor Molina's efforts to correct deficiencies noted in the SSAE16 Report on Internal Controls I, issued for the year ended June 30, 2011.

Based on this review, the Department is improving efforts to monitor the new MMIS and require the contractor to correct noted system and control issues in a timely manner.

**PRIOR FINDING 10F-3**

Medicaid Cluster  
93.775, 93.777, 93.778  
Department of Health and Human Services  
Questioned Costs: Not Determinable

Procedures to suspend or debar providers from the Medicaid program are inadequate. Federal regulations (42 CFR 1002.210), require the Department to develop procedures for identifying and reporting Medicaid providers for debarment from participating in the program. Procedures should include methods for documenting the issues and submitting provider information to the federal grantor for debarment from all federal programs. Additionally, federal regulation (42 CFR 1001.60 (a)(2)) specifically addresses "situations where an individual or entity voluntarily withdraws from a program to avoid a formal sanction." The Department's State Plan provides that an investigation into suspected abuse may occur, but does not identify specific procedures that the Department will take to suspend or debar the provider.

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One provider file we reviewed had an undisputed overpayment of \$39,000. This provider had been excluded in Florida for a license revocation but was allowed to practice in Idaho. Further, the provider offered in writing to surrender their Medicaid Provider Number in exchange for forgiveness of the debt. While the Department did not agree to this offer, no efforts were taken to suspend or debar this provider as required by federal regulations.

Without adequate procedures in place to evaluate these overpayment cases, the risk increases significantly of not excluding a provider who meets the federal requirements for exclusion. We evaluated 317 outstanding provider overpayments as of June 2010 and identified 86 (27%) with no activity for 18 months. However, none of these providers were reported to the federal grantor for suspension or debarment. Three of these providers were referred to the Medicaid Program Integrity Unit (MPIU) for collection efforts, but no collections have been made, and no reporting for debarment to the federal grantor has been done. Failure to report these providers allows them to continue to bill for services to the Medicaid program, as well as other government programs in Idaho and elsewhere.

We also noted that interest on unpaid balances was not consistently applied or collected in accordance with signed repayment agreements with providers.

**RECOMMENDATION**

We recommended that the Department implement procedures to suspend or debar providers from participation in the Medicaid program for reasons identified in federal regulations and the State Plan. We also recommended that the Department consistently apply and collect interest in accordance with provider repayment agreements.

**Current Status: CLOSED**

The Department indicated that the federal grantor is developing a nationwide system for all states to enter providers that have been "terminated." The Affordable Care Act also requires any state to bar a provider from participating in Medicaid if that provider has been "terminated" in any other state or by Medicare. The Department is seeking a waiver from the Governor's office to implement this portion of the Affordable Care Act.

**PRIOR FINDING 10F-4**

Temporary Assistance to Needy  
Families Cluster  
93.558, 93.714  
Department of Health and Human Services  
Questioned Costs: \$4 million

Costs of \$4 million claimed as maintenance of effort for the TANF Grant are not "qualifying expenditures." We noted in the fiscal year 2009 audit that the Department claimed \$5.2 million as maintenance of effort for the TANF Grant that were not "qualifying expenditures" as defined by federal regulations.

Federal regulations (45 CFR 263.2) require the Department to spend State funds of at least 75% of the amount spent during fiscal year 1994. To meet this requirement for fiscal year 2010, the Department must spend about \$13 million of State funds on allowable TANF activities and identify these expenditures to one of four TANF purposes. To be

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"qualifying expenditures," the costs identified for each purpose must meet certain criteria for eligibility and types of services.

Our analysis of TANF costs for fiscal year 2010 showed that nearly \$4 million of the \$13 million claimed as maintenance of effort were not for "qualifying expenditures" as defined by federal regulations.

The Department claimed \$3.6 million in allocated administrative and program service costs for the child welfare and children's mental health programs, but these costs are not directly identified to an eligible family as required and, therefore, do not qualify. Some of these costs were allocated through a process identified during the prior audit as flawed, resulting in an over-allocation of about \$300,000, which is unallowable to TANF as either federal or State maintenance of effort costs. The Department also claimed contract costs of \$369,000 for substance abuse liaisons, but these costs are not identified to eligible clients and are also not "qualifying expenditures" for the TANF maintenance of effort requirement.

We also noted that errors in the annual maintenance of effort report (ACF-204) identified in the FY 2009 audit report have not all been corrected as of June 2010. Some TANF costs were incorrectly classified and raised the possibility that both State and federal spending on administrative costs exceeded the 15% limit established by federal regulations. The Department agreed that a review of the classification of TANF expenditures was needed, but the review has not yet been performed. As such, we are unable to determine whether federal and State administrative expenditures exceed the 15% limit for FY 2010.

**RECOMMENDATION**

**We recommended that the Department analyze TANF Grant expenditures claimed as State maintenance of effort to ensure that only "qualifying expenditures" are included as defined by federal regulations. We also recommended that the Department contact the federal grantor to resolve the amounts claimed during fiscal years 2009 and 2010 that do not meet these requirements, and to complete the review of administrative costs claimed to ensure that the total does not exceed the 15% limit allowed.**

**Current Status: OPEN**

We have reviewed, and agree with, the Department's proposal to use a new eligibility process implemented on October 1, 2011, as a reasonable basis for estimating the eligibility that would have been associated with the Family Preservation (FP) costs charged to TANF in fiscal years 2009 and 2010. We agree that the new Family Preservation eligibility process utilized under current TANF law, and with appropriate implemented internal controls, will ensure adequate support for future FP case management costs charged to TANF. The proposed methodology to charge these costs to TANF and adjust the ineligible costs to the Social Services Block Grant (SSBG) each quarter, with supporting documentation of eligibility, is appropriate. We have not yet been provided with adjustment documentation to remove the unallowable costs from the 2009 and 2010 phases of this

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grant. Once we have reviewed supporting documentation and determined the adequacy of those adjustments, we anticipate that this finding will be closed.

**PRIOR FINDING 10F-5**

Temporary Assistance to Needy

Families Cluster

93.558, 93.714

Department of Health and Human Services

Questioned Costs: \$869,000

Contract costs of \$869,000 charged to TANF for child welfare services do not meet eligibility criteria or other requirements. Federal regulations (45 CFR 263.11) allow states to spend TANF Grant funds on some child welfare services in accordance with their former State Plan authorized prior to 1995. States must adhere to the eligibility criteria and other requirements set forth in the former plan.

The Department uses TANF funds for Family Service contracts that primarily benefit the Child Welfare program. Some emergency activities are allowable under requirements established in the pre-1995 State Plan. Those requirements include family income and resources, as well as a 90-day limit of assistance, and funds cannot be used for services to children who are eligible for services under the Foster Care Grant program.

The Department charged \$869,000 of Family Service contracts in fiscal year 2010 to the TANF Grant and reported these to the federal grantor as emergency assistance services under the pre-1995 State Plan. These contracts provided services such as drug testing, substance abuse liaisons, on-call staffing, and child protective and foster care placement services, which do not meet the criteria and requirements set forth in the pre-1995 State Plan. None of the contracts had provisions for determining client eligibility as required by the grant, and program staff indicated it was unlikely that any eligibility determinations were performed or documented by the contractors.

Although these contracts provided services that may be allowable to other federal grants, the costs are not allowable to the TANF Grant and should be refunded to the federal grantor.

**RECOMMENDATION**

We recommended that the Department evaluate all costs charged to the TANF Grant program for services provided under the pre-1995 (prior law) State Plan to ensure that eligibility criteria and other requirements are met. We also recommended that the Department contact the federal grantor to resolve the questioned costs identified.

**Current Status: OPEN**

After a comprehensive review of the contracts in question, the Department determined that some of the identified contracts were designed to meet TANF criteria, but specific supporting documentation such as clients served, income verification, and time of service was not readily tied to the invoices paid, and the work required to gather the appropriate information to determine allowability of these invoices is cost prohibitive.

Costs charged to TANF for these contracts will be adjusted to the Social Services Block Grant (SSBG) for fiscal years 2010 and 2011.

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As of February 2012, the Department asserts these contracts will no longer be charged to TANF. Once we have reviewed supporting documentation and determined the adequacy of those adjustments, we anticipate that this finding will be closed.

**PRIOR FINDING 10F-6**

Temporary Assistance to Needy  
Families Cluster  
93.558, 93.714  
Department of Health and Human Services  
Questioned Costs: \$362,500

Prior errors in allocating indirect costs to TANF are not corrected and continued in fiscal year 2010. We noted in the fiscal year 2009 audit that the TANF Grant was charged an excessive share of indirect costs due to errors in the allocation methods. In general, the TANF Grant was charged nearly all costs associated with "other" activities that should have been allocated to other grants and programs that benefited from these costs.

The Department concurred with the prior audit and submitted to the federal grantor a revised cost allocation method and a plan for reallocating \$9.3 million of costs originally charged in fiscal years 2008 and 2009. The revised cost allocation plan and reallocation of prior costs was approved by the federal grantor with an effective date of March 2010. However, the prior method was used through May 2010 and resulted in \$362,500 of additional unallowable costs to the TANF Grant, most of which was claimed as "maintenance of effort" costs.

In addition, the proposed reallocation of prior costs has not been completed. Once these adjustments are posted, it will create a significant deficit in the Department's amount of required "maintenance of effort" expenditures for both years. Additional efforts by the Department and approval by the federal grantor will be needed to resolve these deficits.

**RECOMMENDATION**

We recommended that the Department complete the reallocation of costs for fiscal years 2008 and 2009 as agreed to by the federal grantor. We also recommended that the Department contact the federal grantor to resolve the questioned cost amounts for fiscal year 2010 and the "maintenance of effort" deficit that will occur once the adjustments are completed.

**Current Status: CLOSED**

A revised cost allocation plan submitted by the Department to correct the error in the allocation of TANF "Other" costs was approved for use by the federal grantor in March 2010. The revised plan was implemented in May 2010, requiring adjustment of \$362,500 for costs charged to the grant between the approval and implementation date. We have reviewed the adjustments and consider this finding closed.

**PRIOR FINDING 10F-7**

Temporary Assistance to Needy Families  
Cluster  
93.558, 93.714  
Department of Health and Human Services  
Questioned Costs: \$27,000

Prior errors in allocating training costs to the TANF Grant remain unresolved and errors continued in fiscal year 2010. The fiscal year 2008 audit identified \$1.3 million of costs charged to the TANF Grant for foster care and adoption assistance staff training that was not supported by an appropriate allocation method. The Department agreed, and efforts were taken to resolve this issue and evaluate all training costs to determine an appropriate allocation method. However, adjustments have not been made as directed by the federal grantor.

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The fiscal year 2009 audit identified an additional \$700,000 of costs charged to the TANF grant using the unsupported allocation method, and these costs have also not been adjusted pending the federal approval of the new allocation method. The Department received the approval in June 2010, but no adjustments for either the fiscal years 2008 or 2009 have been made as of February 2011.

For the fiscal year 2010 audit period, an additional \$27,000 in training costs was charged to the TANF Grant using the unsupported allocation method.

**RECOMMENDATION**

**We recommended that the Department adjust the costs charged to the TANF Grant for unsupported allocations for fiscal years 2008 and 2009, and contact the federal grantor to resolve the questioned cost amounts for fiscal year 2010.**

**Current Status: OPEN**

The Department asserts that adjustments for this finding for fiscal years 2008, 2009, and 2010 were completed and reported to the federal grantor on the December 2011 quarterly reports. These adjustments would be combined with current quarter activity. This finding will remain open so that we can verify the adjustments have been properly completed and documented.

**PRIOR FINDING 10F-8**

Child Support Enforcement  
93.563

Department of Health and Human Services  
Questioned Costs: Not Determinable

Critical system reconciliations between the Idaho Child Support Enforcement System (ICSES) and the FISCAL accounting system have not been completed on a timely basis. The Department currently does not reconcile individual transactions between the ICSES and FISCAL systems. This reconciliation process was performed by a staff member that was transferred to a regional office in May 2010. According to Management Services staff, no one has performed the reconciliation since then, and Child Support program staff was unaware that this reconciliation was not being performed.

The Department receives an electronic file of all child support funds deposited every day from a contractor. This file is used to post to ICSES, and program personnel reconcile the total receipts on this file to the total amount posted to ICSES. However, individual transactions are not compared, which increases the risk that amounts are recorded incorrectly and not detected and corrected.

**RECOMMENDATION**

**We recommended that the Department reestablish the reconciliation between the ICSES and FISCAL systems to ensure that amounts are properly recorded and any errors are detected and corrected.**

**Current Status: OPEN**

A detailed line item reconciliation that would ensure individual transactions have been applied to the appropriate child support case is still not performed. The process of reconciling the total amount deposited does not identify individual errors and increases the risk that amounts are recorded incorrectly and not detected and corrected. This issue remains open.

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**PRIOR FINDING 10F-9**

Child Support Enforcement  
and Medicaid Cluster

93.563, 93.775, 93.777, 93.778

Department of Health and Human Services

Questioned Cost: Not Determinable

Significant use of the "miscellaneous" code indicates possible errors in the cost allocation process. The Department uses a federally-approved allocation method "Random Moment Time Study" (RMTS) to allocate costs based on the activities of employees at randomly selected moments in time. The data is used to develop percentages to calculate the amount each grant or program shares in the total costs incurred. This approach is effective and efficient where groups of employees work on several different grants or programs.

Employees are asked to identify the activity they are performing at the time of contact using an established list of activity codes. If the employee's current activity is not listed, they are instructed to use a "miscellaneous" activity code and provide a brief explanation. All activity codes are identified to specific grants or programs except the value of the "miscellaneous" code, which is allocated to all other activity codes based on a weighted average.

During fiscal year 2010, the "miscellaneous" code was the basis for allocating nearly a third of the \$36 million of costs in the Self Reliance program. This level of use indicates that the coding structure may not adequately identify activities or that additional staff training on the use of codes is needed. In addition, there is no evidence that the results of the employee responses are analyzed at the Division level to identify any trends or irregularities in the data or the possibility that the "miscellaneous" code was over used.

**RECOMMENDATION**

**We recommended that the Department evaluate the use of the "miscellaneous" code in the allocation processes to determine whether the coding structure is sufficient to identify activities, or whether additional staff training is needed to improve the accuracy and reliability of the amounts allocated.**

**Current Status: OPEN**

The Department has made considerable progress with its reconciliations since this finding was written. Reconciliations were prioritized and assigned to Department staff. Some of the highest priority reconciliations have been completely caught up, including five daily and ten monthly reconciliations. In addition, each of these reconciliations has been documented in the Knowledge Management database, to minimize the effects of any future employee turnover.

Of the reconciliations remaining, the most critical to be completed and documented at this time involve the interface between FISCAL and the Medicaid Automated System. Department staff is working closely with Molina staff to identify and resolve system and business process issues affecting these systems.

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**PRIOR FINDING 10F-10**

Child Care and Development Cluster  
93.575, 93.596, 93.713  
Department of Health and Human Services  
Questioned Cost: Not Determinable

Child Care Grant costs were not charged to the appropriate funding source and the potential liability for federal interest has not been considered. The Child Care Development Block Grant has three separate funding sources, each with different federal funding ratios and periods of availability. The Department charged costs to the funding source with the highest federal rate of participation rather than to the appropriate funding source at the time the cost was incurred. Adjustments were made at the end of the quarter to move costs to the appropriate grants, but the impact to the cash balance and potential liability for interest owed to the grantor is not considered. This process did not comply with the federal cash management requirements, created additional accounting effort and risk of errors, and increased the possibility that funds were improperly used.

For example, costs of \$717,000 were initially claimed and reimbursed from the Child Care Stimulus funding source at 100% federal participation but later moved to the Mandatory Grant funding source reimbursed at 70%. This resulted in a refund owed to the federal grantor of \$215,000, and created accounting transactions that limit the ability to clearly identify allowable expenditures charged to each funding source as required by federal regulations (45 CFR 98.67).

The Cash Management Improvement Act (CMIA) requires the Department to incur allowable costs before requesting reimbursements. When costs already reimbursed by the federal grantor are adjusted to a grant reimbursed at a lower rate, the result is federal cash on-hand with no supporting costs. The Department must then resolve this situation by either identifying additional costs to claim against the funds received or return the excess funds to the grantor. In addition, the process to claim and adjust costs between fund sources has not been identified by the Department as creating a potential federal interest liability, so no efforts to recognize or reduce this risk have been taken.

**RECOMMENDATION**

We recommended that the Department claim Child Care Development Block Grant costs to the appropriate funding source at the time the costs are incurred. We also recommended that the Department implement a process to evaluate the effect of adjustments on federal funds on-hand to recognize or reduce the potential interest liability owed to the federal grantor.

**Current Status: CLOSED**

The Department identified a process for evaluating the use of the miscellaneous code in the Random Moment Time Study (RMTS), and committed to providing additional training to staff about selecting the proper activity code when receiving a RMTS survey. We reviewed current allocations to the "miscellaneous" code and found an average of 14% charged to this code. We consider this item closed.



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**PRIOR FINDING 10F-11**

Public Health Emergency Preparedness

93.069

Department of Health and Human Services

Questioned Cost: Not Determinable

Public health districts' sub-grantee contracts are not monitored in compliance with federal requirements. The Department contracts with the seven public health districts to perform various services and program activities in support of the Health Preparedness Program (CFDA #93.069). However, only limited financial monitoring is performed by the Division of Health staff to ensure that costs claimed are supported and allowable. These Health Preparedness Program contracts with the health districts lack uniform and adequate contract monitoring requirements, and the invoices submitted by the health districts lack an appropriate level of supporting detail.

Each district reports and claims costs on a monthly basis as required by the contract, but these reports have insufficient detail to determine compliance with grant requirements and federal cost principles. Additionally, these reports are not routinely confirmed by program staff to supporting documentation that each district is required to maintain. Invoices received from the districts are reported by generic categories of summarized costs, such as personnel, operating, and trustee and benefits rather than providing detailed identification of expenditures. There is also a lack of uniformity in the invoices used by each of the health districts, which contributes to difficulties with financial monitoring.

Some reliance is placed on the financial audits completed for these districts, but the scope of these audits may not include all programs or confirm that expenditures meet specific contract or grant requirements. Although the Department performs annual site visits to each district, these visits are focused on program progress and performance, and do not have a financial focus. Inadequate financial monitoring efforts raise the possibility that errors and other irregularities could exist and would not be detected.

**RECOMMENDATION**

**We recommended that the Department establish adequate monitoring requirements in these contracts to allow proper monitoring of the costs submitted by each health district and to implement a financial monitoring process to ensure that reimbursed costs are allowable to federal grants and comply with the terms of the contract.**

**Current Status: CLOSED**

The Division of Public Health (DPH) has implemented improvement processes in its contract monitoring practices. With consultation from internal audit, the newly hired business analyst has assessed contract program monitoring and contract fiscal controls. Contract scope of work language requiring contractors to submit detailed quarterly financial reports and documentation of position, title, role, and number of hours worked, as well as detailed operating expenses associated with the contract activities, has been implemented into Public Health Preparedness contracts for fiscal year 2011.

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**SUPERINTENDENT OF PUBLIC INSTRUCTION, OFFICE OF THE**

**PRIOR FINDING 10F-12**

Child Nutrition Cluster, Title I, Part A  
Cluster, Special Education Cluster,  
Improving Teach Quality State Grants  
10.553, 10.555, 10.556, 10.559, 84.010,  
84.389, 84.027, 84.173, 84.391, 84.392,  
84.367

Department of Agriculture and  
Department of Education  
Questioned Cost: Not Determinable

Federal funds are not requested within the required time frames.  
Federal regulations under the Cash Management Improvement Act (CMIA) require the Office to request federal funds on a basis that minimizes the time between disbursement of program costs and the collection of federal funds. To meet this objective, the Office agreed to a procedure that requires federal funds be requested on a "clearance pattern" based on the timing of when state warrants are redeemed by the State Treasurer. The current agreement allows the Office to request funds four or five days after the disbursement is recorded in the accounting system.

Of the 46 funding requests selected, 21 (46%) were not requested within the time frames established in the CMIA agreement. Compounding this issue is that program disbursements are not made on a scheduled basis, which in turn requires that requests for federal funds be made in the same fashion. In most instances, a single request includes disbursements processed over several days, which results in some amounts requested either earlier or later than required. Although the possible federal penalty from this situation is minimal due to current low interest rates, in times of higher interest rates the impact of this error could result in large federal penalties.

The current clearance pattern does not represent the actual flow of cash. Most disbursements are now made using electronic payment processes which clear the State Treasury much sooner than warrants. The CMIA agreement, however, has not been updated to consider the effect of this. The Office of the Superintendent of Public Instruction is the third largest recipient of federal funds for the State of Idaho, spending \$421 million in FY 2010. Its attention to cash management has a significant impact on the cash flows of the State.

**RECOMMENDATION**

We recommended that the Office comply with the terms of the CMIA agreement while seeking to amend the agreement to more accurately represent the flow of cash for federal program disbursements. We also recommended that the Office consider establishing a consistent disbursement schedule to simplify the process and improve compliance with federal cash management requirements.

**Current Status: CLOSED**

The Office has aligned its current draw request schedule to match the average clearance pattern stated in the agreement. The Office is also working with the Division of Financial Management to review the actual clearance patterns and to modify the current Cash Management Improvement Act (CMIA) agreement to better match the actual clearance of funds.

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**PRIOR FINDING 10F-13**

**Item #1**

Title I Part A Cluster  
84.010, 84.389  
Department of Education  
Questioned Cost: None

Internal control weaknesses exist in the preparation of several federal reports and an allocation of Title II Teacher Quality funds to school districts. Internal controls are essential to ensure federal reports and allocations of funding are proper. Although the overall internal control structure of the Office is good, we identified the following errors and lack of proper internal controls:

**Item #2**

Improving Teacher Quality State Grant  
84.367  
Department of Education  
Questioned Cost: None

1. Per-pupil expenditures were reported in error. Title I per-pupil expenditures are calculated on a series of complex interlinking spreadsheets, but this data is not reviewed by another staff member to ensure the accuracy of the amounts reported. Due to a weakness in internal controls, a clerical error in the fiscal year 2010 per-pupil expenditure calculation went unnoticed until identified during the audit.

**Item 3**

Child Nutrition Cluster  
10.553, 10.555, 10.556, 10.559  
Department of Agriculture  
Questioned Cost: None

Per-pupil expenditures reported for fiscal year 2010 were \$7,597; however, a review and recalculation found that actual expenditures were \$7,223 per pupil. These amounts, which are published by the National Center for Education Statistics, are frequently used by the media, educators, and others as a way to evaluate a State's educational quality. The proper amounts were resubmitted to the U.S. Department of Education.

**Item #4**

Title I Part A Cluster  
84.010, 84.389  
Department of Education  
Questioned Cost: None

2. Teacher Quality funds were allocated in error. Federal regulations provide specific rules to the Office on how to allocate Title II Teacher Quality funds to school districts based on the number of school-age children and those living in poverty. Title II funds allocation is calculated using a complex series of spreadsheets which could only be explained to the auditor with the assistance of a retired employee who had initially developed the spreadsheets. The review identified errors in the calculation including errors in amounts entered from U.S. census data and improper use of other factors, such as the number of neglected children or those in foster care. Although the miscalculation resulted in only minor inequities between districts, the use of an undocumented spreadsheet and absence of a thorough review process raises the risk that significant errors could occur and not be detected.
3. Review procedures are not used for data submitted to the USDA. The Office submits data to the U.S. Department of Agriculture (USDA) for several grant programs using the Food Program Reporting System. Data is assembled from a variety of sources, including school districts and other local education agencies. The reporting system can be set up to allow one staff member to enter the data and another to review the data to ensure the accuracy of the reports. However, this feature is not currently used and data is entered and submitted by one staff member. Although no errors were identified, the

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lack of appropriate review procedures could allow errors or other irregularities to occur and not be detected or corrected.

4. The calculation of "maintenance of effort" requirements is not properly reviewed. The Office is responsible for calculating Title I "maintenance of effort" requirements for all local educational agencies (LEAs). This is done at a statewide level with data provided by the LEAs. The methods and process for calculating "maintenance of effort" is complex and detailed, but no review or other efforts are taken to ensure the accuracy of the results. Although no errors were identified, the lack of appropriate review procedures could allow errors or other irregularities to occur and not be detected or corrected.

**RECOMMENDATION**

We recommended that the Office review internal controls over the preparation of data, reports, and allocations and strengthen the process to ensure that information and funds being disseminated from the Office are accurate and complete.

**Current Status: CLOSED**

The Office has reviewed each of the four areas of concern in this finding with the appropriate program staff. They have implemented additional review processes for reporting. Program staff is using a combination of initial reviews by supervisors, reviews by cross-trained counterparts, and exception reporting reviews by supervisors to verify the accuracy of reporting.

**VOCATIONAL REHABILITATION, IDAHO DIVISION OF**

**PRIOR FINDING 10F-14**  
Vocational Rehabilitation Cluster  
84.126, 84.390  
Department of Education  
Questioned Costs: Not Determinable

Federal funds in the amount of \$1.8 million were drawn early due to errors in the draw process. Federal regulations under the Cash Management Improvement Act (CMIA) require the Division to request federal funds on a basis that minimizes the time between disbursement of program costs and the collection of federal funds. To meet this objective, the Division agreed to a procedure that requires federal funds be drawn on a "clearance pattern," based on the timing of when State warrants and other transactions are redeemed by the State Treasurer. The current agreement requires the Division to draw personnel costs on each pay date and all other costs on a percentage basis over a seven-day period after disbursement.

The Division has several sources of funding for program costs, two of which are federal grants and Social Security Administration (SSA) programs. During fiscal year 2009, the Division began using a new software system to better identify allowable costs to the SSA programs. However, costs claimed for the SSA programs were also claimed, in error, for the federal grant program, resulting in more than \$1.8 million in surplus federal funds on-hand at June 30, 2010. Most of this surplus has accumulated over the past 18 months and has created an interest liability, as defined in the CMIA agreement, which is payable to the federal government.

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We also noted that the Division is not drawing funds in accordance with the CMIA agreement. Most draws are made about seven days after the disbursements are recorded, rather than on a percentage basis over a seven day period. Disbursements are made nearly every day rather than on a scheduled basis, which in turn requires frequent draws to remain in compliance. This approach requires additional efforts and contributes to potential errors and delays in receiving federal funds.

Further compounding this issue is the clearance pattern identified in the CMIA agreement, which does not represent the Division's actual flow of federal cash. Most disbursements are now made using electronic payment processes, which clear the State Treasury much sooner than warrants, but the CMIA agreement has not been updated to consider the effect of this.

Although the possible federal penalty of this situation is minimal due to low interest rates, the Division should seek to amend the CMIA agreement and establish disbursement schedules to improve compliance and reduce the risk of penalties in the future.

**RECOMMENDATION**

We recommended that the Division draw federal funds in accordance with the CMIA agreement and adjust the process so that the same costs are not claimed to both the Social Security Administration and the federal grant program. The Division should contact the federal grantor to resolve the surplus federal funds on hand and the resulting interest liability.

We also recommended that the Division seek to amend the CMIA agreement to more accurately reflect the flow of federal funds and consider establishing a consistent disbursement schedule to simplify the process and improve compliance to federal cash management requirements.

**Current Status: CLOSED**

The Division discontinued making draws on \$1.5 million of grant expenditures to immediately reduce the federal cash on-hand and began reviewing all federal cash draws in fiscal year 2011 to ensure the accuracy of the amounts.

**PRIOR FINDING 10F-15**  
Vocational Rehabilitation Cluster  
84.126, 84.390  
Department of Education  
Questioned Costs: Not Determinable

Federal financial reports are not supported by the Division's accounting records. The Division is required to submit financial reports to the federal grantor, which must be supported by its accounting records. A complex series of spreadsheets are used by the Division to develop the federal financial reports; however no current staff member fully understands how the data is compiled.

Our analysis of the financial reports for the fiscal years 2009 and 2010 federal Basic Grant submitted at June 30, 2010, showed that each report contained unsupported expenditures of \$3.4 million. This amount was a "plug figure" necessary to force the federal reports and the total expenditures recorded in the Division's accounting records to agree.

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The expenditure of federal funds reported directly to the grantor did not agree to the amounts reported as federal expenditures to the State Controller as part of the statewide Single Audit process. This was caused by coding the expenditures in the Statewide Accounting System (STARS) to a different grant phase than the one coded in the Division's internal accounting system.

**RECOMMENDATION**

We recommended that the Division properly support all data reported to the federal grantor by fully documenting the process and spreadsheets used to develop the reports. We also recommended that the Division reconcile this data to the amounts recorded in STARS to ensure that amounts reported and included in the statewide Single Audit are supported and accurate.

**Current Status: CLOSED**

Repeated with additional information, 11F-20.

The Division is in the process of restructuring its accounting processes and moving all reporting functions from an internal system to the statewide STARS accounting system.

**PRIOR FINDING 10F-16**  
Vocational Rehabilitation Cluster  
84.126, 84.390  
Department of Education  
Questioned Costs: \$0-\$300,000

Additional services provided to clients are not documented as required. Federal regulations (34 CFR 361.45) establish mandatory procedures that the Division must follow to authorize and document services to clients. These procedures must be followed in order for costs to be allowable to the federal Vocational Rehabilitation Grants. The Division is required to develop an "Individual Plan of Employment" (IPE) for each client that must be agreed to and signed by both the client and a qualified counselor employed by the Division. Any amendments to the IPE must also be agreed to, in writing, by both the client and counselor for costs to be allowable to the grant.

The Division has an internal policy that allows counselors to provide clients with up to \$400 of additional services without amending the IPE or obtaining a written agreement from the client. Although the policy requires the counselor to document the client's agreement to the additional services in the electronic case system, no signed document from the client is available. As a result, these costs do not follow the mandatory procedures outlined in federal regulations and may be unallowable to the grant.

In addition, our limited review showed that the record in the case system did not always include notation that the client verbally agreed to the additional services. This raises the possibility for errors or other irregularities to occur as clients may not be informed of the costs and services provided or available.

During fiscal year 2010, the Division provided additional services to nearly 1,300 clients for which no amended IPE or other signed agreement from the client was available. Based on the range of costs incurred for these additional services, we estimate that as much as \$300,000 in costs claimed to the federal grant could be unallowable.

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**RECOMMENDATION**

We recommended that the Division document the costs of services as required by federal requirements and obtain written agreements from clients for all additional services provided. We also recommended that the Division contact the federal grantor to resolve the potential questioned costs.

**Current Status: CLOSED**

The Division discontinued the practice of providing additional services to clients in March 2011.

**PRIOR FINDING 10F-17**

Vocational Rehabilitation Cluster  
84.126, 84.390  
Department of Education  
Questioned Costs: Not Determinable

The indirect cost rate is not supported, and amounts are claimed twice in error. Federal regulations (OMB *Circular A-87*) allow the Division to charge administrative and other shared costs to federal grant programs based on an "indirect rate" approved by the federal grantor. The indirect rate must be applied proportionately and consistently to all programs, whether federally funded or not, and procedures must exist to ensure that costs are not charged as a direct cost and also recovered through the indirect rate calculation.

The indirect rate for fiscal year 2010 was established at 11% of all direct costs. However, this rate is not supported because the calculation did not include all expenditures of the Division as required. More than \$4.5 million of expenditures were excluded from the base and caused the indirect rate to be overstated by 25% or more.

We also noted that costs recovered through the indirect rate are also claimed as direct costs in error. For example, nearly all employee salary, vacation, and sick leave costs are charged as direct costs to the federal Basic Grant, but the amounts relating to administrative staff are also recovered through the indirect rate. In addition, rent and data lines of several regional offices are charged as a direct cost and also recovered through the indirect rate. No procedures currently exist to exclude costs recovered through the indirect rate from the amounts claimed as direct costs to the federal grant programs.

The amount of costs claimed twice in error is not readily determinable; however, the Division should contact the federal grantor to resolve this issue promptly to avoid potential penalties.

**RECOMMENDATION**

We recommended that the Division calculate the indirect cost rate plan in accordance with federal regulations (OMB *Circular A-87*) and include all expenditures of the Division in the base. We also recommended that the Division develop procedures to exclude costs recovered through the indirect rate from the amounts claimed as direct costs, and contact the federal grantor to resolve the potential questioned cost amount.

**Current Status: CLOSED**

Repeated with additional information, 11F-24.

The Division hired a contractor to develop an appropriate indirect cost plan for fiscal year 2011.

## APPENDIX A – AGENCY RESPONSES

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STATE OF IDAHO  
DEPARTMENT OF  
ENVIRONMENTAL QUALITY

1410 North Hilton • Boise, Idaho 83706 • (208) 373-0502

C.L. "Butch" Otter, Governor  
Curt Fransen, Director

April 5, 2012

Ms. April Renfro, CPA, Manager  
Legislative Audits  
Legislative Services Office  
P O Box 83720  
Boise, Idaho 83720-0054

Subject: Management Report relating to the statewide *Single Audit Report*

Dear Ms. Renfro:

The Department of Environmental Quality accepts the statewide *Single Audit Report* for fiscal year ended June 30, 2011 and offers the following response:

Federal Finding 1

Funding designations are not clearly communicated to ensure that monitoring efforts and other compliance requirements are met.

Recommendation

We recommend that the Department clearly communicate the designation of funding between program staff, fiscal staff, and sub recipients to ensure that monitoring efforts and financial reporting are accurate, complete, and consistent to ensure federal compliance.

Agency's Corrective Action Plan

The Department agrees with the finding and is working to improve the communication between the program staff, fiscal staff and sub recipients. The Department also wishes to note that there appears to be some confusion in the interpretation of the federal reporting requirements and certain information provided to the Department by the United States Environmental Protection Agency. The Department will continue to work EPA to secure clarification of the reporting requirements.

If you or your staff have any further questions, please contact Dave Sande, CPA, Financial Officer.

Sincerely,

A handwritten signature in black ink, appearing to read "Curt A. Fransen".  
Curt A. Fransen  
Director

c: Dave Sande, DEQ-Fiscal Office



IDAHO DEPARTMENT OF  
HEALTH & WELFARE

C.L. "BUTCH" OTTER - GOVERNOR  
RICHARD M. ARMSTRONG - DIRECTOR

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May 2, 2012

April Renfro, Manager  
Legislative Audits Division  
Legislative Services Office  
P.O. Box 83720  
Boise, Idaho 83720-0054

Dear Ms. Renfro:

On behalf of the Department of Health and Welfare, we thank you for the efforts of your staff and for the opportunity to respond to your report. DHW has reviewed and responded to the recommendations presented in the statewide Single Audit Report for Fiscal Year 2011. Enclosed is a copy of our reply to each item addressed in the audit.

If you have any further questions, please contact Steve Bellomy at 334-0609.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Taylor", written over a horizontal line.

DAVID N. TAYLOR, CPA, CFE  
Deputy Director

Enclosure

**Idaho Department of Health and Welfare  
Single Audit Report  
Findings and Department Response  
Fiscal Year 2011**

**Finding #1**

Interim payments of \$117,701,246 were paid to providers in advance of an incurred allowable claim which is not in compliance with federal requirements.

Recommendation

We recommend that the Department report and request reimbursement from the Federal grantor only for payments supported by allowable activities as identified in the grant agreement.

Department Response

The Department did not anticipate needing to issue emergency payments to providers. Due to problems with the new Medicaid system, many providers did not get paid when the system went into production. This situation was compounded by the unrelated payment holdbacks due to the State's budgetary situation. Therefore, the State had to act quickly and decisively and issue interim payments to its Medicaid providers. The success of getting this stabilization money into the hands of providers prevented economic catastrophe for many of them.

The Department agrees interim payments were included in the expenditures reported for participation in the Federal Medical Assistance Percentage (FMAP) and federal funds were withdrawn for these payments. However, as of June 30, 2011, the Federal grantor was reimbursed for all funds withdrawn for these payments.

It should be noted, that as of March 19, 2012, 98% of the interim payments have been recovered, with collections continuing.

**Finding #2**

Medicaid payments of \$39 million were not identified by specific service type as required.

Recommendation

We recommend that the Department analyze activity in the miscellaneous unknown task code to determine the correct coding. We further recommend that the Department work with Molina Medicaid Solutions to update the financial tables in MMIS to ensure the coding in MMIS reconciles to FISCAL.

Department Response

The Department agrees with this finding but asserts that, besides the interim payments discussed in Finding #1; all claims that were recorded to the miscellaneous task code were allowable and were based on actual Medicaid claims submitted by providers.

Claims – Some claims data sent from the vendor’s Medicaid Management Information System (MMIS) to the State’s accounting system were recorded as task code 2990 because the task codes needed to be updated in the MMIS system. The Department’s MMIS Financial team monitors task code activity weekly to evaluate causes for the incorrect coding and makes appropriate system changes in order to prevent future errors. The majority of the claims were reassigned out of 2990 and into the correct task code. The vendor has documented a quarterly reconciliation for the adjustments. There remains \$1.8 million from claims paid in FY11 in task code 2990. These remaining claims will be adjusted by December 31, 2012.

Non Claims – Some Medicaid managed care payments were coded to task code 2990 due to data entry errors by the MMIS vendor. The Department’s MMIS Financial team is monitoring manually generated payments for managed care to prevent future incorrect entries. All have been reassigned out of 2990 and into the correct task code. For each of these adjustments, the vendor has documented a quarterly reconciliation to prior periods.

### **Finding #3**

Required data mining tools and reports are not available in the new MMIS system.

#### Recommendation

We recommend that the Department provide required claims and provider information to MPIU and MFCU to assist in completing the analysis of claims. We further recommend that the Department identify a specific timeline to have the reports available, or develop ad-hoc reporting capabilities for the MPIU and MFCU to meet these guidelines.

#### Department Response

The Department agrees with this finding. All Medicaid Fraud Control Unit (MFCU) reports are currently working and available to them. Reports for the Medicaid Program Integrity Unit (MPIU) will be available after the database is rebuilt which is set to be completed in May. In the interim, we have made Medicaid and vendor staff available to create ad-hoc reports.

### **Finding #4**

Medicare Buy-In program lacks sufficient data reports to verify CMS monthly billings.

#### Recommendation

We recommend that the Department require the systems contractors, Thompson Reuters and Molina Medicaid Solutions, to establish appropriate reporting from the MMIS to verify Medicare Buy-In eligibility.

#### Department Response

The Department agrees with this finding. The Department is working with the vendor to update the tables used for the Medicaid Buy-In to develop the necessary reports. We anticipate this work will be completed by May 31, 2012. Once the databases are functioning as designed we will be able to recreate the Buy-In reports in the vendor's system.

**Finding #5**

Outpatient Services provided to both Medicaid and CHIP clients do not correctly process from the MMIS to the accounting system FISCAL, resulting in incorrect federal reporting.

**Recommendation**

We recommend that the Department correct the coding and system controls for the claims and payment accounting to ensure proper reporting of federal expenditures.

**Department Response**

The Department agrees with this finding. We had previously identified this issue as a system defect. The correct task code for hospital inpatient and outpatient claims was corrected for claims paid after March 6, 2012. A project has been implemented to review and correct claims for these task codes prior to March 6, 2012. We expect the project to be complete no later than June 30, 2013.

**Finding #6**

Client eligibility errors may go undetected and uncorrected due to insufficient internal controls, resulting in improper payments.

**Recommendation**

We recommend that the Department refine error notification and correction procedures for the eligibility data reconciliation to ensure that only eligible client claims are paid.

**Department Response**

The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.

**Finding #7**

Receipting Services Only (RSO) child support costs are overstated and over-allocated to the Temporary Assistance for Needy Families (TANF) grant.

**Recommendation**

We recommend that the Department discontinue accruing monthly debt transactions to RSO cases and we further recommend that the Department implement appropriate case closure procedures for these RSO cases.

**Department Response**

We disagree with this finding. We believe that the allocation is being correctly applied between RSO and IV-D cases and has been the method since December 2010. The recommendation to exclude RSO cases that auditors found to have 'met closure criteria' cannot be executed by our department as our Deputy Attorney General has advised us that we do not have the legal authority to close these cases. Case closure is a IV-D function, and cases not part of the IV-D caseload are governed by state statute which does not provide closure authority. State Statutes

mandate that Idaho Child Support Services shall keep a record of payments made under support related court orders.

Child Support has been working on a project to update their entire Operations Manual and is aware of several sections that are outdated and no longer apply. Chapter 10 of the Child Support Reference Guide (section 10.4.3) is one of the sections that has not been updated during the current project. That section was referencing the treatment of RSO cases when IV-D funding was used to work those cases.

Managers and supervisors have been communicating the expectations related to RSO cases in weekly targeting, management meetings, and staff meetings since 2009. The project to completely update the Child Support Operations Manual is estimated to be completed by the end of 2012.

#### **Finding #8**

Child support costs of \$191,101 were charged to TANF without proper documentation to support allowability.

#### Recommendation

We recommend that the Department provide adequate supporting documentation for all costs charged to TANF and other federal grants.

#### Department Response

The Department agrees with this finding. A copy of the adjustment and some supporting documentation was provided to the Federal grantor in September of 2010 and to our state auditors in the spring of 2011.

However, the documentation provided proved to be incomplete and difficult to follow. Therefore additional support has been provided and is currently under review by our Legislative auditors.

#### **Finding #9**

Child Welfare referral costs are charged entirely to TANF, resulting in an over-allocation of approximately \$6.9 million for state fiscal year 2011.

#### Recommendation

We recommend that the Department utilize an appropriate basis for allocating risk assessment costs to all benefiting grants, to comply with all A-87 and federal TANF requirements.

#### Department Response

The Department disagrees with the finding. Under the January 4, 1994, state plan, the Department is allowed to charge 100% of this Random Moment Time Study (RMTS) activity to TANF. The primary purpose of the activity "Risk Assessment and Safety Management" is to assess risk and assure safety for children and families. This activity stands alone as a state and

federal requirement and is not the eligibility process for Child Welfare programs such as Foster Care. We will finish collecting the necessary changes to the TANF State plan and will provide it to Legislative Audit within 45 days.

#### **Finding #10**

Substance abuse costs are charged to the federal TANF grant and do not meet federal requirements for allowability.

#### Recommendation

We recommend that the Department develop procedures to ensure that eligibility is properly determined and documented for all clients receiving Substance Abuse referrals and/or treatment under TANF and to ensure these costs are charged to the appropriate grant and reported correctly.

#### Department Response

The Department disagrees with this finding. The Department maintains that the services of the Substance Abuse Liaisons qualify for TANF under the prior law but recognize documentation of services may have been inadequate. The program will provide documentation to Legislative Audit within 30 days. If Legislative Audit and the Federal grantor do not believe the documentation is sufficient to justify charging the TANF grant, the costs will be charged to the Social Services Block Grant.

#### **Finding #11**

Federal American Recovery and Reinvestment Act (ARRA) funds of \$328,794 were incorrectly reported on the TANF ACF-196 Financial Report.

#### Recommendation

We recommend that the Department strengthen internal controls over the grant reporting process to ensure that TANF costs are properly reported in accordance with grant requirements.

#### Department Response

The Department agrees with the finding. Non-Recurrent Short-Term Benefits were incorrectly reported as Subsidized Employment. A revised TANF ACF-196 report will be filed.

#### **Finding #12**

Access Idaho invoices contain insufficient documentation to determine allowability to the Child Support Enforcement grant.

#### Recommendation

We recommend that the Department require detailed invoices from Access Idaho to ensure the accuracy and allowability of those charges.

Department Response

The Department agrees with this finding. We have reached out to AccessIdaho.Gov to request a more detailed invoice that provides more detailed data that allows us to clearly validate charges and allocations.

**Finding #13**

WIC Infant Formula Rebate invoicing errors resulted in over-billing of \$22,075.

Recommendation

We recommend that the Department strengthen procedures used to complete the invoice process to reduce the risk of errors occurring and going uncorrected.

Department Response

The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.

**Finding #14**

System edit controls intended to ensure that only allowable costs are charged to the Social Services Block Grant (SSBG) were over-ridden without proper authority or monitoring.

Recommendation

We recommend that the Department improve procedures and internal controls over grant accounting to ensure that system edit checks are not over-ridden and provide adequate training to personnel.

Department Response

The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.

**Finding #15**

Reporting errors of \$111,633 occurred in the federal financial report for the Child Care Cluster.

Recommendation

We recommend that the Department investigate and correct these reporting errors, including a revised submission of the report to the Federal grantor if necessary. We further recommend that the Department strengthen internal controls over the reporting process to ensure that required Federal reports are properly supported and reviewed for accuracy.

Department Response

The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.



**Finding #16**

Administrative costs for the Child Care Cluster exceeded allowable limits by \$159,113 as reported on the June 30, 2011 ACF-696 Financial Report.

**Recommendation**

We recommend that the Department improve monitoring of the grant requirements to ensure compliance with the limits for allowable administrative costs. We further recommend the Department contact the federal grantor to resolve the questioned costs.

**Department Response**

The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.



IDAHO DEPARTMENT OF  
HEALTH & WELFARE

C.L. "BUTCH" OTTER - GOVERNOR  
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May 11, 2012

April Renfro, Manager  
Legislative Audits Division  
Legislative Services Office  
P.O. Box 83720  
Boise, Idaho 83720-0054

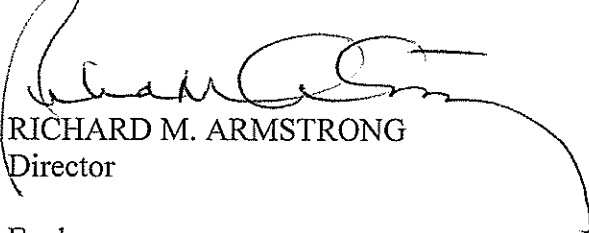
Re: Single Audit Report for Fiscal Year 2011

Dear Ms. Renfro:

The Department of Health and Welfare has received and reviewed the additional finding related to the Medicaid Cluster and the Children's Health Insurance Program. Enclosed is a copy of our response.

We thank you for the opportunity to respond to this finding. If you have any further questions, please contact Steve Bellomy at 334-0609.

Sincerely,



RICHARD M. ARMSTRONG  
Director

Enclosure

RMA/kat

**Idaho Department of Health and Welfare  
Single Audit Report  
Additional Finding and Department Response  
Fiscal Year 2011**

**Finding (Submitted 5/11/2012)**

Monthly contract payments for the Idaho Smiles program are charged entirely to the Medicaid Cluster when approximately 11% should be charged to the Children's Health Insurance Program (CHIP).

Recommendation

We recommend that the Department correct the coding in the accounting system to properly distribute these costs to the Medicaid grant and the CHIP grant based on eligible clients. We further recommend that the Department contact the federal grantor to resolve the reporting errors.

Department Response

The Department did not receive notice of this finding in time to respond. We will review the finding and provide a written response within 30 days.